Section 2. For the purpose of this Act:

(1) The term "Board" means the State Board of Health;

(2) The term "Department" means the State Department of Health;

(3) The term "person" includes individual, partnership, corporation, and association;

(4) The term "food" means:

(a) Articles used for food or drink for man or other animals;

(b) Chewing gum; and

(c) Articles used for components of any such article;

(5) The term "drug" means:

(a) Articles recognized in the official United States Pharmacopoeia, official Homeopathic Pharmacopoeia of the United States, or official National Formulary, or any supplement to any of them; and

(b) Articles intended for use in the diagnosis, cure, mitigation, treatment or prevention of disease in man or other animals; and

(c) Articles (other than food) intended to affect the structure or any function of the body of man or other animals; and

(d) Articles intended for use as a component of any article specified in this subsection but does not include devices or their components, parts, or accessories.

(6) The term "device" (except when used in Subsection (12) of this section and in Subsection (10) of Section 18, Subsection (6) of Section 4, Subsection (3) of Section 7, and Subsection (3) of Section 10 of this Act) means instruments, apparatus and contrivances, including their components, parts and accessories, intended:

(a) For use in the diagnosis, cure, mitigation, treatment, or prevention of disease in man or other animals; or

(b) To affect the structure or any function of the body of man or other animals.

(7) The term "cosmetic" means:

(a) Articles intended to be rubbed, poured, sprinkled, or sprayed on, introduced into, or otherwise applied to the human body or any part thereof for cleansing, beautifying, promoting attractiveness, or altering the appearance; and

(b) Articles intended for use as a component of any such articles, except that such term shall not include soap.

(8) The term "official compendium" means the official United States Pharmacopoeia, official Homeopathic Pharmacopoeia of the United States, official National Formulary, or any supplement to any of them.

(9) The term "label" means a display of written, printed or graphic matter upon the immediate container of any article; and a requirement made by or under authority of this Act that any word, statement, or other information appearing on the label shall not be considered to be complied with unless such word, statement, or other information also appears on the outside container or wrapper, if any

there be, of the retail package of such article, or is easily legible through the outside container or wrapper.

(10) The term "immediate container" does not include package liners.

(11) The term "labeling" means all labels and other written, printed or graphic matter.

(a) Upon an article or any of its containers or wrappers; or

(b) Accompanying such article.

(12) If an article is alleged to be misbranded because the labeling is misleading, or if an advertisement is alleged to be false because it is misleading, then in determining whether the labeling or advertisement is misleading, there shall be taken into account (among other things) not only representations made or suggested by statement, word, design, device, sound, or in any combination thereof, but also the extent to which the labeling or advertisement fails to reveal facts material in the light of such representations or material with respect to consequences which may result from the use of the article to which the labeling or advertisement relates under the conditions of use prescribed in the labeling or advertisement thereof or under such conditions of use as are customary or usual.

(13) The term "advertisement" means all representations disseminated in any manner or by any means, other than by labeling, for the purpose of inducing, or which are likely to induce, directly or indirectly, the purchase of food, drugs, devices, or cosmetics.

(14) The representation of a drug, in its labeling or advertisement, as an antiseptic shall be considered to be a representation that it is a germicide, except in the case of a drug purporting to be, or represented as, an antiseptic for inhibitory use as a wet dressing, ointment, dusting powder, or such other use as involves prolonged contact with the body.

(15) The term "new drug" means:

(a) Any drug the composition of which is such that such drug is not generally recognized among experts qualified by scientific training and experience to evaluate the safety of drugs, as safe for use under the conditions prescribed, recommended, or suggested in the labeling thereof; or

(b) Any drug the composition of which is such that such drug, as a result of investigations to determine its safety for use under such conditions, has become so recognized, but which has not, otherwise than in such investigations, been used to a material extent or for a material time under such conditions.

(16) The term "contaminated with filth" applies to any food, drug, device, or cosmetic not securely protected from dust, dirt, and as far as may be necessary by all reasonable means, from all foreign or injurious contaminations.

(17) The provisions of this Act regarding the selling of food, drugs, devices, or cosmetics, shall be considered to include the manu-

facture, production, processing, packing, exposure, offer, posssesion, and holding of any such article for sale; and the sale, dispensing, and giving of any such article, and the supplying or applying of any such articles in the conduct of any food, drug, or cosmetic establishment.

(18) The term "Federal Act" means the Federal Food, Drug and Cosmetic Act. (Title 21 U.S.C. 301 et seq.; 52 Stat. 1040 et seq. or amendments thereto.)

(19) The term "flour" includes and shall be limited to the foods, commonly known as flour, white flour, wheat flour, plain flour, bromated flour, self-rising flour, self-rising white flour, self-rising wheat flour, phosphated flour, phosphated white flour, and phosphated wheat flour, defined under the Federal Act.

(20) The term "enriched" as applied to flour, means the addition to flour of vitamins and other nutritional ingredients necessary to make it conform to the definition and standard of "enriched" flour as defined under the Federal Act.

(21) The terms "bread" and "enriched bread" include, and shall be limited to, the foods commonly known and described as "white bread", "white rolls", "white buns", "enriched white bread", "enriched rolls", and "enriched white buns", as defined under the Federal Act.

(22) The term"fluid milk" means any milk, cream or skimmed milk, whether or not condensed, evaporated, concentrated, frozen, powdered, dried or desiccated, to which has been added, or which has been blended or compounded with, any fat or oil other than milk fat, except the fat or oil of contained eggs and nuts and the fat or oil of substances used for flavoring purposes only, so that the resulting product is an imitation or semblance of milk, cream, skimmed milk, ice cream mix, ice cream, or frozen deserts, whether or not condensed, evaporated, concentrated, frozen, powdered, dried or desiccated, whether in bulk or in containers, hermetically sealed or unsealed. This definition does not mean or include any milk or cream from which no part of the milk or butter fat has been extracted, whether or not condensed, evaporated, concentrated, powdered, dried, or desiccated, to which has been added any substance rich in vitamins, nor any distinctive proprietary food compound not readily mistaken for milk or cream or for condensed, evaporated, concentrated, powdered, dried, or desiccated milk or cream, if such compound is prepared and designed for the feeding of infants or young children, sick or infirm persons, and customarily used on the order of a physician, and is packed in individual containers bearing a label in bold type that the contents are to be used for those purposes; nor shall this definition prevent the use, blending or compounding of chocolate as a flavor with milk, cream or skimmed milk, desiccated, whether in bulk or in containers, hermetically sealed or unsealed, to or with which has been added, blended or compounded no other fat or oil other than milk or butter fat.

(23) The term "practitioner" means medical or osteopathic phy-

sicians, dentists, chiropodists, and veterinarians who are licensed under the professional licensing laws of Kentucky to prescribe and administer drugs and devices.

(24) The term "prescription" means a written or oral order for a drug or medicine, or combination or mixture of drugs or medicines, or proprietary preparation, signed or given or authorized by a medical, dental, chiropody or veterinarian practitioner, and intended for use in the diagnosis, cure, mitigation, treatment or prevention of disease in man or other animals.

(25) The term "Federal Meat Inspection Act" means the Federal Meat Inspection Act. (Title 21 U.S.C. 71 et seq.; 34 Stat. 1260 et seq. including any amendments thereto.)

(26) The term "Federal Poultry Products Inspection Act" means the Federal Poultry and Poultry Products Inspection Act. (Title 21 U.S.C. 451 et seq.; Public Law 85-172; 71 Stat. 441 including any amendments thereto.)

Section 3. A food shall be deemed to be adulterated:

(1) (a) If it bears or contains any poisonous or deleterious substance which may render it injurious to health; but in case the substance is not an added substance such food shall not be considered adulterated under this subsection if the quantity of such substance in such food does not ordinarily render it injurious to health; or

(b) If it bears or contains any added poisonous or added deleterious substance which is unsafe within the meaning of Section 5 of this Act; or

(c) If it consists in whole or in part of a diseased, contaminated, filthy, putrid, or decomposed substance, or if it is otherwise unfit for food; or

(d) If it has been produced, prepared, packed, or held under insanitary conditions whereby it may have become contaminated with filth, or whereby it may have been rendered diseased, unwholesome, or injurious to health; or

(e) If it is the product of a diseased animal or an animal which has died otherwise than by slaughter, or that has been fed upon the uncooked offal from a slaughter house; or

(f) If its container is composed, in whole or in part, of any poisonous or deleterious substance which may render the contents injurious to health.

(2) (a) If any valuable constituent has been in whole or in part omitted or abstracted therefrom; or

(b) If any substance has been substituted wholly or in part therefor; or

(c) If damage or inferiority has been concealed in any manner; or

(d) If any substance has been added thereto or mixed or packed therewith so as to increase its bulk or weight, or reduce its quality or strength or make it appear better or of greater value than it is.

(3) If it is confectionery and its bears or contains any non-

nutritive article or substance except harmless coloring, harmless flavoring, harmless resinous glaze not in excess of four-tenths of one per centum, harmless natural wax not in excess of four-tenths of one per centum, harmless natural gum, and pectin; provided that this subsection shall not apply to any chewing gum by reason of its containing harmless non-nutritive masticatory substances.

(4) If it bears or contains a coal-tar color other than one from a batch which has been certified under authority of the Federal Act.

(5) If it is filled milk.

Section 4. A food shall be deemed to be misbranded:

(1) If its labeling is false or misleading in any particular.

(2) If it is offered for sale under the name of another food.

(3) If it is an imitation of another food for which a definition and standard of identity has been prescribed by regulations as provided by Section 14 of this Act; or if it is an imitation of another food that is not subject to Subsection (7) of this Section, unless its label bears in type of uniform size and prominence, the word, imitation, and, immediately thereafter, the name of the food imitated.

(4) If its container is so made, formed, or filled as to be misleading.

(5) If in package form, unless it bears a label containing:

(a) The name and place of business of the manufacturer, packer, or distributor;

(b) An accurate statement of the quantity of the contents in terms of weight, measure, or numerical count; provided that reasonable variations shall be permitted, and exemptions as to small packages shall be established, by regulations prescribed by the board.

(6) If any word, statement, or other information required by or under authority of this Act to appear on the label or labeling is not prominently placed thereon with such conspicuousness (as compared with other words, statement, designs, or devices, in the labeling) and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use.

(7) If it purports to be or is represented as a food for which a definition and standard of identity has been prescribed by regulations as provided by Section 14 of this Act unless:

(a) It conforms to such definition and standard; and

(b) Its label bears the name of the food specified in the definition and standard, and insofar as may be required by such regulations, the common names of optional ingredients (other than spices, flavoring, and coloring) present in such food.

(8) If it purports to be or is represented as:

(a) A food for which a standard of quality has been prescribed by regulations as provided by Section 14 of this Act and its quality falls below such standard unless its label bears, in such manner and form as such regulations specify, a statement that it falls below such standard; or

(b) A food for which a standard or standards of fill of container have been prescribed by regulation as provided by Section 14 of this Act and it falls below the standard of fill of container applicable thereto, unless its label bears, in such manner and form as such regulations specify, a statement that it falls below such standard.

(9) If it is not subject to the provisions of Subsection (7) of this section, unless it bears labeling clearly giving:

(a) The common or usual name of the food, if any there be; and

(b) In case it is fabricated from two or more ingredients, the common or usual name of each such ingredient; except that spices, flavorings, and colorings, other than those sold as such, may be designated as spices, flavorings, and colorings, without naming each; provided that to the extent that compliance with this subsection is impractical or results in deception or unfair competition, exemptions shall be established by regulations promulgated by the board.

(10) If it purports to be or is represented for special dietary uses, unless its label bears such information concerning its vitamin, mineral, and other dietary properties as the board determines to be, and by regulations prescribes as, necessary in order to fully inform purchasers as to its value for such uses.

(11) If it bears or contains any artificial flavoring, artificial coloring, or chemical preservative, unless it bears labeling stating that fact; provided that the extent that compliance with the requirements of this subsection is impracticable, exemptions shall be established by regulations promulgated by the board.

(12) If it is a product intended as an ingredient of another food and when used according to the directions of the purveyor will result in the final food product being adulterated or misbranded.

Section 5. Any poisonous or deleterious substances added to any food except where such substance is required in the production thereof or cannot be avoided by good production or manufacturing practice, shall be deemed to be unsafe for purposes of the application of Section 3 (1) (b) of this Act, unless a tolerance for such substance has been prescribed under the Federal Act and the quantity of such substance in or on the food is within the tolerance so prescribed or the substance has been exempted from the requirement of a tolerance under the provisions of the Federal Act.

Section 6. A drug or device shall be deemed to be adulterated:

(1) (a) If it consists in whole or in part of any filthy, putrid, or decomposed substance; or

(b) If it has been produced, prepared, packed, or held under insanitary conditions whereby it may have been contaminated with filth or whereby it may have been rendered injurious to health; or

(c) If it is a drug and its container is composed in whole or in part of any poisonous or deleterious substance which may render the contents injurious to health; or

(d) If it is a drug and it bears or contains, for purposes of coloring only, a coal-tar color other than one from a batch certified under the authority of the Federal Act.

(2) If it purports to be or is represented as a drug the name of which is recognized in a official compendium, and its strength differs from, or its quality or purity falls below, the standard set forth in such compendium. Such determination as to strength, quality, or purity shall be made in accordance with the tests or methods of assay set forth in such compendium, or in the absence of or inadequacy of such tests or methods of assay, those prescribed under authority of the Federal Act. No drug defined in an official compendium shall be deemed to be adulterated under this subsection because it differs from the standard of strength, quality, or purity therefor set forth in such compendium, if its difference in strength, quality, or purity from such standard is plainly stated on its label. Whenever a drug is recognized in both the United States Pharmacopoeit and the Homeopathic Pharmacopoeia of the United States it shall be subject to the requirements of the United States Pharmacopoeia unless it is labeled and offered for sale as a homeopathic drug, in which case it shall be subject to the provisions of the Homeopathic Pharmacopoeia of the United States and not to those of the United States Pharmacopoeia.

(3) If it is not subject to the provisions of Subsection (2) of this section and its strength differs from, or its purity or quality falls below, that which it purports or is represented to possess.

(4) If it is a drug and any substance has been:

(a) Mixed or packed therewith so as to reduce its quality or strength; or

(b) Substituted wholly or in part therefor.

Section 7. A drug or device shall be deemed to be misbranded:

(1) If its labeling is false or misleading in any particular.

(2) If in package form unless it bears a label containing:

(a) The name and place of business of the manufacturer, packer, or distributor; and

(b) An accurate statement of the quantity of the contents in terms of weight, measure, or numerical count; provided that reasonable variations shall be permitted, and exemptions as to small packages shall be established, by regulations prescribed by the board.

(3) If any word, statement, or other information required by or under authority of this Act to appear on the label or labeling is not prominently placed thereon with such conspicuousness (as compared with other words, statements, designs or devices, in the labeling) and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use.

(4) If it is for use by man and contains any quantity of the narcotic or hypnotic substance alpha-eucaine, barbituric acid, beta-eucaine, bromal, cannabis, carbromal, chloral, coca, cocaine, codeine, heroin, marihauana, morphine, opium, paraldehyde peyote, or sul-

fonmethane, or any chemical derivative of such substance, which derivative has been by the board after investigation, found to be, and by regulations under this Act designated as, habit forming; unless its label bears the name and quantity or proportion of such substance or derivative and in juxtaposition therewith the statment "Warning—May be habit-forming."

(5) If it is a drug and is not designated solely by a name recognized in an official compendium unless its label bears:

(a) The common or usual name of the drug, if such there be; and

(b) In case it is fabricated from two or more ingredients, the common or usual name of each active ingredient, including the kind and quantity or proportion of any alcohol, and also including whether active or not the name and quantity or proportion of any bromides, ether, chloroform, acetanilid, acetophenetidin, amidopyrine, antipyrine, atropine, hyoscine, hyoscyamine, arsenic, digitalis, digitalis glucosides, mercury, ouabain, strophanthin, strychnine, thyroid, or any derivative or preparation of any such substances, contained therein; provided that to the extent that compliance with this subsection is impracticable, exemptions shall be established by regulations promulgated by the board.

(6) Unless its labeling bears;

(a) Adequate directions for use; and

(b) such adequate warnings against use in those pathological conditions or by children where its use may be dangerous to health, or against unsafe dosage or methods or duration of administration or application, in such manner and form, as are necessary for the protection of users; provided that where any requirement of Subsection (a) of this subsection, as applied to any drug or device, is not necessary for the protection of the public health, the board shall promulgate regulations exempting such drug or device from such requirements.

(7) If it purports to be a drug the name of which is recognized in an official compendium, unless it is packaged and labeled as prescribed therein; provided that the method of packing may be modified with a consent of the department. Whenever a drug is recognized in both the United States Pharmacopoeia and the Homeopathic Pharmacopoeia of the United States, it shall be subject to the requirements of the United States Pharmacopoeia with respect to packaging and labeling unless it is labeled and offered for sale as a homeopathic drug, in which case it shall be subject to the provisions of the Homeopathic Pharmacopoeia of the United States, and not to those of the United States Pharmacopoeia.

(8) If it has been found by the department to be a drug liable to deterioration, unless it is packaged in such form and manner, and its label bears a statement of such precautions, as the board shall by regulations require as necessary for the protection of public health. No such regulation shall be established for any drug recognized in an official compendium until the board shall have informed the appro-

priate body charged with the revision of such compendium of the need for such packaging or labeling requirements and such body shall have failed within a reasonable time to prescribe such requirements.

(9) (a) If it is a drug and its container is so made, formed, or filled as to be misleading; or

(b) If it is an imitation of another drug; or

(c) If it is offered for sale under the name of another drug.

(10) If it is dangerous to health when used in the dosage, or with the frequency or duration prescribed, recommended, or suggested in the labeling thereof.

(11) If:

(a) It is a drug intended for use by man which is a habit forming drug to which Section 7 (4) of this Act applies; or because of its toxicity or other potentiality for harmful effect, or the method of its use, or the collateral measures necessary to its use is not safe for use except under the supervision of a practitioner, and is not dispensed upon a prescription unless prior to dispensing its label bears the statement "Caution: Federal law prohibits dispensing without prescription"; or

(b) It is a drug or device and its label (as originally packed) directs that it is to be dispensed or sold only on prescription, unless it is dispensed or sold on a prescription of an authorized practitioner and its label (as dispense) bears the name and place of business of the dispenser or seller, the serial number and date of such prescription, and the name of such licensed practitioner. Such prescriptions shall not be refilled except on the specific authorization of the prescribing practitioner; provided that where any requirement of this subsection, as applied to any drug or device, is not necessary for the protection of the public health, the board shall promulgate regulations exempting such drug or device from such requirement.

(12) A drug sold on a prescription of a practitioner (except a drug sold in the course of the conduct of a business of selling drugs pursuant to diagnosis by mail) shall be exempt from the requirements of this section if:

(a) Such practitioner is licensed by law to administer such drug; and

(b) Such drug bears a label containing the name and place of business of the seller, the serial number and date of such prescription, and the name of such practitioner.

Section 8. (1) No person shall sell, deliver, offer for sale, hold for sale or give away any new drug unless:

(a) An application with respect thereto has become effective under the Federal Act; or

(b) When not subject to the Federal Act unless such drug has been tested and has not been found to be unsafe for use under the conditions prescribed, recommended, or suggested in the labeling thereof, and prior to selling or offering for sale such drug, there has been filed with the department an application setting forth: Full reports of investigations which have been made to show whether or not such drug is safe for use; a full list of the articles used as components of such drug; a full statement of the composition of such drug; a full description of the methods used in, and the facilities and controls used for, the manufacture, processing, and packing of such drug; such samples of such drug and of the articles used as components thereof as the department may require; and specimens of the labeling proposed to be used for such drug.

(2) An application provided for in Subsection (1) (b) of this section shall become effective on the 60th day after the filing thereof, except that if the department finds after due notice to the applicant and giving him an opportunity for a hearing, that the drug is not safe for use under the conditions prescribed, recommended, or suggested in the proposed labeling thereof, it shall, prior to the effective date of the application, issue an order refusing to permit the application to become effective.

(3) This section shall not apply:

(a) To a drug intended solely for investigational use by experts qualified by scientific training and experience to investigate the safety in drugs provided the drug is plainly labeled "For investigational use only"; or

(b) To a drug sold in the state at any time prior to the enactment of this Act or introduced into interstate commerce at any time prior to the enactment of the Federal Act; or

(c) To any drug which is licensed under the virus, serum, and toxin act of July 1, 1902, and any amendments thereto, (42 U.S.C., 262 et seq., and amendments thereto.)

(4) An order refusing to permit an application under this section to become effective may be revoked by the department.

Section 9. A cosmetic shall be deemed to be adulterated:

(1) If it bears or contains any poisonous or deleterious substance which may render it injurious to users under the conditions of use prescribed in the labeling or advertisement thereof or under such condtions of use as are customary or usual; provided that this provision shall not apply to coal-tar hair dye, the label of which bears the following legend conspicuously displayed thereon: "Caution—This product contains ingredients which may cause skin irritation on certain individuals and a preliminary test according to accompanying directions should first be made. This product must not be used for dyeing the eyelashes or eyebrows; to do so may cause blindness," and the labeling of which bears adequate directions for such preliminary testing. For the purpose of this subsection and Subsection (5) of this section, the term "hair dye" shall not include eyelash dyes or eyebrow dyes.

(2) If it consists in whole or in part of any filthy, putrid or decomposed substance.

(3) If it has been produced, prepared, packed, or held under

insanitary conditions whereby it may have become contaminated with filth, or whereby it may have been rendered injurious to health.

(4) If its container is composed, in whole or in part, of any poisonous or deleterious substance which may render the contents injurious to health.

(5) If it is not a hair dye and it bears or contains a coal-tar color other than one from a batch which has been certified under authority of the Federal Act.

Section 10. A cosmetic shall be deemed to be misbranded:

(1) If its labeling is false or misleading in any particular.

(2) If in package form unless it bears a label containing:

(a) The name and place of business of the manufacturer, packer, or distributor; and

(b) An accurate statement of the quantity of the contents in terms of weight, measure, or numerical count; provided that reasonable variations shall be permitted, and exemptions as to small packages will be established by regulations prescribed by the board.

(3) If any word, statement, or other information required by or under authority of this Act to appear on the label or labeling is not prominently placed thereon with such conspicuousness (as compared with other words, statements, designs, or devices, in the labeling) and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use.

(4) If its container is so made, formed or filled as to be misleading.

Section 11. (1) An advertisement of a food, drug, device, or cosmetic shall be deemed to be false if it is false or misleading in any particular.

(2) For the purpose of this Act the advertisement of a drug or device representing it to have any effect in albuminuria, appendicitis, arteriosclerosis, blood poison, bone disease, Bright's disease, cancer, carbuncles, cholecytitis, diabetes, diphtheria, dropsy, erysipelas, gallstones, heart and vascular diseases, high blood pressure, mastoiditis, measles, meningitis, mumps, nephritis, otitis media, paralysis, pneumonia, poliomyelitis (infantile paralysis) prostate gland disorders, pyelitis, scarlet fever, sexual impotence, sinus infection, smallpox, tuberculosis, tumors, typhoid, uremia, veneral disease, shall also be deemed to be false, except that no advertisement not in violation of Subsection (1) of this section shall be deemed to be false under this subsection if it is disseminated only to practitioners or appears only in the scientific periodicals of these practitioners, or is disseminated only for the purpose of public health education by persons not commercially interested, directly or indirectly, in the sale of such drugs or devices; provided that when ever the board determines that an advance in medical science has made any type of self-medication safe as to any of the diseases named above, the board shall by regulation authorize the advertisement of drugs having curative or therepeutic

effect for such disease, subject to such conditions and restrictions as the board may deem necessary in the interests of public health; provided that this subsection shall not be construed as indicating that self-medication for diseases other than those named herein is safe or efficacious.

Section 12. (1) Whenever a duly authorized agent of the department finds or has probable cause to believe, that any food, drug, device, or cosmetic is adulterated, or misbranded within the meaning of this Act, he shall affix to such article a tag or other appropriate marking, giving notice that such article is, or is suspected of being, adulterated or misbranded and has been detained or quarantined and warning all persons not to remove or dispose of such article by sale or otherwise until permission for removal or disposal is given by such agent or the court. It shall be unlawful for any person to remove or dispose of such detained or quarantined article by sale or otherwise without such permission.

(2) When an article detained or quarantined under subsection (1) of this section has been found by such agent to be adulterated, or misbranded, he shall petititon the judge of the police, county, or circuit court in whose jurisdiction the article is detained or quarantined for an order for condemnation of such article; provided that nothing in this section shall require that the department or its agent shall go to court if destruction of the quarantined article is accomplished by agreement made in writing with the owner of the property. When such agent has found that an article so detained or quarantined is not adulterated or misbranded, he shall remove the tag or other marking.

(3) If the court finds that a detained or quarantined article is adulterated or misbranded, such article shall, after entry of the order, be destroyed at the expense of the claimant thereof, under the supervision of such agent, and all court costs and fees, and storage and other proper expenses, shall be taxed against the claimant of such article or his agent; provided that when the adulteration or misbranding can be corrected by proper labeling or processing or the article, the court, after entry or the order and after such costs, fees, and expenses have been paid and a good and sufficient bond, conditioned that such article shall be so labeled or processed, has been executed, may by order direct that such article be delivered to the claimant thereof for such labeling or processing under the supervision of an agent of the department. The expense of such supervision shall be paid by the claimant. Such bond shall be returned to the claimant of the article on representation to the court by the department that the article is no longer in violation of this Act, and that the expenses of such supervision have been paid.

(4) Whenever the department or any of its authorized agents, after a state of emergency has been declared, shall find in any room, building, vehicle of transportation, or other structure, any food, drug, cosmetic, or device, which are unsound or which contain any filthy,

decomposed, or putrid substance, or which may be poisonous or deleterious to health or otherwise unsafe, the same being hereby declared to be a nuisance, the department or its authorized agent shall forthwith condemn or destroy the same or in other manner render the same unfit for human use.

Section 13. The authority to promulgate regulations for the efficient administration and enforcement of this Act is hereby vested in the board. The board may make the regulations promulgated under this Act consistent with those promulgated under the Federal Act.

Section 14. Whenever in the judgment of the board such action will promote honesty and fair dealing in the interest of consumers, the board may promulgate regulations fixing and establishing for any food or class of food: A reasonable definition and standard of identity, a reasonable standard of quality, and fill of container. In prescribing a definition and standard of identity for any food or class of food in which optional ingredients are permitted, the board shall, for the purpose of promoting honesty and fair dealing in the interest of consumers, designate the optional ingredients which shall be named on the label. The definitions and standards so promulgated shall conform so far as practicable to the definitions and standards promulgated under authority of the Federal Act, the Federal Meat Inspection Act, or the Federal Poultry Products Inspection Act.

Section 15. (1) A food additive shall with respect to any particular use or intended use of such additive, be deemed to be unsafe within the meaning of Section 3 (1) (b) and Section 5, unless it and its use or intended use conform to the terms of an exemption as provided under the Federal Act, or, a regulation issued under the Federal Act prescribing the conditions under which such additive may be safely used.

(2) Any poisonous or deleterious pesticide chemical, or any pesticide chemical which is not recognized by the department as safe for use, added to a raw agricultural commodity, shall be deemed unsafe within the meaning of Section 3 (1) (b), unless a tolerance for such pesticide chemical in or on the raw agricultural commodity has been prescribed under the Federal Act and the quantity of such pesticide chemical in or on the raw agricultural commodity is within the tolerance so prescribed; or the pesticide chemical has been exempted from the requirement of a tolerance under provisions of the Federal Act.

(3) A color additive shall with respect to any particular use (for which it is being used or intended to be used or is represented as suitable) in or on food or drugs or cosmetics, be deemed unsafe for the purposes of the application of Section 3 (4), Section 6 (1) (d), or Section 9 (5), as the case may be, unless there is in effect, and such color additive and such use are in conformity with a regulation as provided under the Federal Act, or such color additive and such use conform to the terms of an exception under the Federal Act.

Section 16. (1) The department or its duly authorized agent shall have free access at all reasonable times to any factory, warehouse, or establishment in which foods, drugs, devices, or cosmetics are manufactured, processed, packed, or held for sale, or are held after receipt in commerce, or to enter any vehicle being used to transport or hold such foods, drugs, devices or cosmetics in commerce, for the purpose:

(a) Of inspecting such factory, warehouse, establishment, or vehicle and all pertinent equipment, finished and unfinished materials, containers, and labeling thereon, to determine if any of the provisions of this Act are being violated; and

(b) Of securing samples or specimens of any food, drug, device, or cosmetic after paying or offering to pay for such sample. It shall be the duty of the department to make or cause to be made examinations of samples secured under the provisions of this section to determine whether or not any provision of this Act is being violated; and

(c) Of examining or reproducing books, papers, documents or other evidence pertaining to such foods, drugs, cosmetics or devices.

(2) Any inspector appointed for the purpose of administering and carrying out the provisions of this Act insofar as they relate to drugs in a retail pharmacy shall be a registered pharmacist and a graduate of a school recognized as in good standing by the Kentucky Board of Pharmacy.

Section 17. (1) The department may cause to be published from time to time reports summarizing all judgments, decrees, and court orders which have been rendered under this Act, including the nature of the charge and the disposition thereof.

(2) The department may also cause to be disseminated such information regarding food, drugs, devices, and cosmetics as the department deems necessary in the interest of public health and the protection of the consumer against fraud. Nothing in this section shall be construed to prohibit the department from collecting, reporting, and illustrating the results of the investigations of the department.

Section 18. The following acts and the causing thereof within the Commonwealth of Kentucky are hereby prohibited:

(1) The manufacture, sale, or delivery, holding or offering for sale of any food, drug, device, or cosmetic that is adulterated or misbranded.

(2) The adulteration or misbranding of any food, drug, device, or cosmetic.

(3) The receipt in commerce of any food, drug, device, or cosmetic that is adulterated or misbranded, and the delivery or proferred delivery thereof for pay or otherwise.

(4) The sale, delivery for sale, holding for sale, or offering for sale of any article in violation of Section 8 of this Act.

(5) The dissemination of any false advertisement.

(6) The refusal to permit entry or inspection, or to permit the

taking of a sample or to permit access to records or evidence, as authorized by Section 16 of this Act.

(7) The giving of a guaranty or undertaking which guaranty or undertaking is false, except by a person who relied on a guaranty or undertaking to the same effect signed by, and containing the name and address of the person residing in the Commonwealth of Kentucky from whom he received in good faith the food, drug, device, or cosmetic.

(8) The removal or disposal of a detained or quarantined article in violation of Section 12 of this Act.

(9) The alteration, mutilation, destruction, obliteration, or removal of the whole or any part of the labeling of, or the doing of any other act with respect to a food, drug, device, or cosmetic, if such act is done while such article is held for sale and results in such article being adulterated or misbranded.

(10) Forging, counterfeiting, simulating, or falsely representing, or without proper authority using any mark, stamp, tag, label, or other identification device authorized or required by regulations promulgated under the provisions of this Act.

(11) The using, on the labeling of any drug or in any advertisement relating to such drug, of any representation or suggestion that any application with respect to such drug is effective under Section 8 of this Act, or that such drug complies with the provisions of such section.

(12) The manufacture, sale or exchange of any filled milk.

(13) The manufacture, mixing, compounding, selling, or offering for sale of any flour unless the same is enriched; provided that this prohibition shall not apply to flour sold to bakeries or other commercial secondary processors, which flour is used only in the production of enriched flour or enriched bread or in the manufacture of products not required to be enriched.

(14) The manufacture, baking, sale, or offering for sale of any bread except bread conforming to the definition of enriched bread.

Section 19. It shall be the duty of each commonwealth attorney, county attorney, or city attorney to whom the department or its agents reports any violation of this Act, to cause appropriate proceedings to be instituted in the proper courts without delay and to be prosecuted in the manner required by law. Before any violation of this Act is reported to any such attorney for the institution of a criminal proceeding, the person against whom such proceeding is contemplated may be given appropriate notice and an opportunity to present his views before the department or its designated agent, either orally or in writing, in person, or by attorney, with regard to such contemplated proceeding.

Section 20. Nothing in this Act shall be construed as requiring the department to report for the institution of proceedings under this Act, violations of this Act, whenever the department believes that the public interest will be adequately served in the circumstances by a suitable written notice or warning.

Section 21. Notwithstanding the existence or pursuit of any other remedy (civil or criminal) the department may maintain, in its own name, an action to restrain or enjoin any violation of this Act, irrespective of whether or not there exists an adequate remedy at law.

Section 22. The State Board of Pharmacy, its agents and inspectors shall have the same powers of inspection and enforcement as the Department under this Act, insofar as it relates to drugs in a retail pharmacy.

Section 23. (1) Any person who violates any of the provisions of Section 18 of this Act shall be guilty of a misdemeanor and shall on conviction thereof be subject to a fine of not less than one hundred dollars nor more than five hundred dollars, or by imprisonment for not more than thirty days, or both; but if the violation is committed after a conviction of such person under this section has become final, such person shall be subject to a fine of not less than five hundred dollars nor more than one thousand dollars, or by imprisonment for not more than ninety days, or both.

(2) No person shall be subject to the penalties of Subsection (1) of this section, for having violated Section 18 (1) or (3) if he establishes a guaranty or undertaking signed by, and containing the name and address of, the person residing in the United States from whom he received in good faith the article, to the effect that such article is not adulterated or misbranded within the meaning of this Act, designating this Act.

(3) No publisher, radio-broadcast licensee, or agency or medium for the dissemination of an advertisement, except the manufacturer, packer, distributor, or seller of the article to which a false advertisement relates, shall be liable under this section by reason of the dissemination by him of such false advertisement, unless he has refused, on the request of the department to furnish the department the name and post office address of the manufacturer, packer, distributor, seller, or advertising agency, residing in the United States who causes him to disseminate such advertisement.

(4) Any person who violates any provision of this Act, for which is specific penalty is not otherwise provided, or any rule or regulation adopted under the provision of this Act, or who fails to comply with an order of the department issued pursuant thereto, shall be fined not less than one hundred dollars nor more than five hundred dollars. Each day of violation or non-compliance shall constitute a separate offense.

Section 24. Sections 217.010, 217.020, 217.030, 217.040, 217.050, 217.060, 217,070, 217.080, 217.090, 217.100, 217.110, 217.120, 217.130, 217.140, 217.150, 217.160, 217.170, 217.180, 217.190, 217.200, 217.260, 217.270, 217.271, 217.272, 217.273, 217.274, and Subsections (1), (2), (3), and (5) of Section 217.990 of the Kentucky Revised Statutes are hereby repealed.

HB 455, AN ACT relating to planning and zoning.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. In all instances under KRS Chapter 100 where the fiscal court of a county or the legislative body of a city is authorized to approve or disapprove an adjustment to the original master plans, or to approve or disapprove the construction or authorization of a public works or utilities project, or to allow a variance from the master plan or any zoning regulation, any person aggrieved by any decision of the legislative body of a city or county concerning planning and zoning may appeal such decision to the circuit court within thirty days of such decision. The appeal shall not stay proceedings under the decision of the legislative body, but the court may, on application, after due cause is shown and after notice is given to the legislative body, grant a restraining order. The hearing before the court shall be de novo. Appeal may be taken to the Court of Appeals of Kentucky in the manner provided in cases of appeals from a circuit court.

HB 456, AN ACT relating to sewer construction districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Any sewer construction district created in the manner provided in KRS 76.300 to 76.325 is exempt from the provisions of KRS 76.085, subsection (2) and (3) except when said sewer construction district empties its affluent into mains or plants operated by Metropolitan Sewer District.

HB 451, AN ACT relating to maintenance of roads.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 179.470 of the Kentucky Revised Statutes is amended to read as follows:

In counties, except counties containing a city of the first class, any street or road located outside of the corporate limits of an incorporated city which is a street or road of a subdivision established by a recorded plat that dedicates the street or road to public use, shall be maintained by the fiscal court of the county in the same manner that roads established under KRS 178.115 are maintained.

HB 457, AN ACT relating to workmen's compensation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 342.005 of the Kentucky Revised Statutes is amended to read as follows:

(1) This chapter shall apply to all employers having three or

more employes regularly engaged in the same occupation or business, and to their employes, except that it shall not apply to domestic employment, agriculture, steam railways, or such common carriers other than steam railways for which a rule of liability is provided by the laws of the United States; provided, however, it shall apply to the operators of threshing machines used in threshing or hulling grain or seeds. It shall affect the liability of the employers subject thereto to their employes for a traumatic personal injury sustained by the employe by accident, and for disability resulting from occupational diseases as defined in this chapter, arising out of and in the course of his employment, or for death resulting from such accidental injury or occupational disease; provided, however, that "traumatic personal injury by accident" as herein defined shall not include diseases except where the disease is the natural and direct result of a traumatic injury by accident nor shall it include the results of a pre-existing disease, whether previously disabling or not, but shall include injury or death due to inhalation in mines of noxious gases or smoke, commonly known as "bad air," and also shall include injuries or death due to the inhalation of any kind of gas, and shall also include occupational disease as defined in this chapter.

(2) The board shall apportion the aggregate extent and duration of disability among the contributing causes including, but not limited to, the following:

(a) "Traumatic injury by accident."

(b) Pre-existing disease previously disabling.

(c) Pre-existing disease not previously disabling but aroused into disabling reality by the injury or occupational disease.

(3) The board shall, in every case, determine whether the provisions of KRS 342.120 are applicable, and if so the board shall proceed in accordance with the law and regulations established for processing claims involving the Subsequent Claim Fund.

(4) Any employers and employes who are, by the provisions of this section, excepted from the provisions of this chapter, including employers having less than three employes, may subject themselves thereto by joint voluntary application to the board, in writing, for such period as may be stated in the application, which shall be irrevocable during such period and effective thereafter until a written revocation be filed with the board or the employment be terminated.

Section 2. Section 342.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) In addition to all other compensation provided in this chapter, the employer shall furnish for the cure and relief from the effects of an injury or occupational disease, such medical, surgical and hospital treatment, including nursing, medical and surgical supplies and appliances, as may reasonably be required at the time of the injury and thereafter during disability, or as may be required for the cure

and treatment of an occupational disease, but not exceeding a total expense to the employer of more than twenty-five hundred dollars. If the employer fails to furnish such treatment reasonably, he shall be liable for the reasonable expense, within the limits of this section, incurred by or on behalf of the employe in providing such treatments. In an emergency, the employe may call in any available physician or surgeon to administer any first aid reasonably necessary at the expense of the employer within the limits of this section. The board, in its discretion, may apportion payments to be made under this section between hospitals and physicians in cases where their aggregate fees and charges would not exceed the maximum for which the employer is liable.

(2) However, further medical, surgical and hospital treatment, not to exceed an additional one thousand dollars, may be ordered by the board upon application and sufficient showing of justifiable need therefor.

(3) Where a compensable injury or occupational disease results in the amputation of an arm, hand, leg or foot, or the loss of hearing, or the enucleation of an eye or the loss of teeth, the employer shall initially furnish in addition to other medical, surgical and hospital treatment enumerated in subsections (1) and (2) of this section, a modern artificial member, and where required, proper braces, but the employer's liability for such artificial member or braces shall not including his liability for medical, surgical and hospital treatment exceed twenty-five hundred dollars.

Section 3. Section 342.070 of the Kentucky Revised Statutes is amended to read as follows:

If death should result within two years from an accident for which compensation is payable under this chapter, or from an occupational disease, the employer or his insurer shall pay to the person entitled to compensation, or, if none, then to the personal representative of the deceased employe, reasonable burial expenses of a person of the standard of living of the deceased, not to exceed the sum of five hundred dollars, and shall also pay to or for the following persons compensation as follows:

(1) If there are one or more wholly dependent persons, sixty-five percent of the average weekly earnings of the deceased employe, but not to exceed thirty-four dollars nor less than sixteen dollars per week shall be payable, all such payments to be made for the period between the date of death and four hundred weeks after the date of accident to the employe or after the date his disability from an occupational disease began, or until the intervening termination of dependency, but in no case to exceed the maximum sum of thirteen thousand six hundred dollars.

(2) (a) If there are partly dependent persons, the payments shall be such part of what would be payable for total dependency as

the partial dependency existing at the time of the accident or after the date his disability from an occupational disease began to the employe is proportionate to total dependency, and all such payments to be made for the period between the date of death and four hundred weeks after the date of the accident to the deceased employe, or after the date his disability from an occupational disease began, or until the intervening termination of dependency, but in no case to exceed in the aggregate of compensation on account of such death the maximum sum of thirteen thousand six hundred dollars.

(b) Partial dependency shall be determined by the proportion of the earnings of the employe which have been contributed to such partial dependent during one year next preceding the date of injury or after the date his disability from an occupational disease began; if the relation of partial dependency did not exist for one year next preceding the date of injury, the board shall consider all the facts and circumstances and fix such proportion as is fair and reasonable thereunder.

(3) All relations of dependency referred to in this section shall mean dependency existing at the time of the accident to the employe or at the time his disability from an occupational disease began.

(4) If death occurs as a result of the injury or an occupational disease after a period of total or partial disability, the period of disability shall be deducted from the total period of compensation and the benefits paid thereunder from the maximum allowed for death by this section.

Section 4. Section 342.095 of the Kentucky Revised Statutes is amended to read as follows:

(1) When the injury or occupational disease causes total disability for work, the employer, during such disability, except for the first seven days thereof, shall pay the employe a weekly compensation equal to sixty-five percent of his average weekly earnings, not to exceed thirty-six dollars nor less than sixteen dollars per week, such payments to be made during the period of total disability but not longer than four hundred twenty-five weeks after the date of the injury, or after the date his disability from an occupational disease began, nor in any case to exceed a maximum sum of fifteen thousand three hundred dollars. If the period of total disability begins after a period of partial disability, the period of partial disability shall be deducted from the total period of four hundred twenty-five weeks during which compensation for total disability may be payable, and the payments made on account of such partial disability shall be deducted from the maximum of fifteen thousand three hundred dollars.

(2) In case of the following injuries or disabilities from occupational disease the disability shall be considered total and permanent:

(a) The total permanent loss of sight in both eyes.

(b) The loss of both feet at or above the ankle.

(c) The loss of both hands at or above the wrist.
(d) A similar loss of one hand and one foot.
(e) A similar loss of one hand and one eye.
(f) A similar loss of one foot and one eye.
(g) A disability to the spine, resulting in permanent and complete paralysis of both arms or both legs, or of one arm and one leg.
(h) A disability to the skull resulting in incurable insanity or imbecility.

(3) The enumeration in subsection (2) is not exclusive, but in all other cases the burden of proof shall be on the claimant to prove that his injuries or disability resutling from an occupational disease have resulted in permanent total disability.

(4) Compensation for an injury or disability to a member shall not exceed the amount allowable for the loss of such member unless the effects of the injury or disability extends beyond the member to the body as a whole so that it destroys a workman's general ability to labor or precludes him from obtaining the kind of work he is customarily able to do.

Section 5. Section 342.100 of the Kentucky Revised Statutes is amended to read as follows:

In case of an injury or disability from an occupational disease resulting in temporary partial disability, the employe shall receive during such disability, except the first seven days thereof, a weekly compensation equal to sixty-five percent of the difference between his average weekly earnings before the injury or disability from an occupational disease and the average weekly earnings that he earns, or is able to earn, in some suitable employment during such disability, not to exceed four hundred weeks from the date of injury, or from the date his disability from an occupational disease began, nor exceeding the sum of thirty-one dollars per week nor the maximum sum of twelve thousand four hundred dollars. If partial disability follows a period of total disability, the period of total disability shall be deducted from the maximum period allowed for partial disability.

Section 6. Section 342.105 of the Kentucky Revised Statutes is amended to read as follows:

For injuries or disabilities from an occupational disease enumerated in the following schedule the employe shall receive, in addition to temporary total disability compensation for the period of actual total disability, not exceeding twenty weeks, a weekly compensation equal to sixty-five percent of his average weekly earnings, but not less than sixteen dollars per week nor exceeding thirty dollars per week for the periods stated thereon:

(1) For the loss of a thumb, sixty-five percent of the average weekly wages during sixty weeks.

(2) For the loss of a first finger, commonly called the index finger, sixty-five percent of the average weekly wages during forty-five weeks.

(3) For the loss of a second finger, sixty-five percent of the average weekly wages during thirty weeks.

(4) For the loss of a third finger, sixty-five percent of the average weekly wages during twenty weeks.

(5) For the loss of a fourth finger, commonly known as the little finger, sixty-five percent of the average weekly wages during fifteen weeks.

(6) The loss of the second, or distal phalange, of the thumb shall be considered to be equal to the loss of one-half of the thumb, the loss of more than one-half of the thumb shall be considered equal to the loss of the whole thumb.

(7) The loss of the third, or distal phalange of any finger shall be considered to be equal to the loss of one-third of the finger.

(8) The loss of the middle, or second phalanage, of any finger shall be considered equal to the loss of two-thirds of the finger.

(9) The loss of more than the middle and distal phalanges of any finger shall be considered equal to the loss of the whole finger, but in no case shall the amount received for more than one finger exceed the amount provided in this schedule for the loss of a hand.

(10) For the loss of a metacarpal bone (bone of the palm) for the corresponding thumb, finger or fingers above add ten weeks to the number of weeks as above.

(11) For ankylosis (total stiffness of) or contractures (due to sears or injuries) which makes the fingers useless, the same number of weeks apply to such finger or fingers (including thumb) as given above.

(12) For the loss of a hand, sixty-five percent of the average weekly wages during one hundred fifty weeks.

(13) For the loss of an arm, sixty-five percent of the average weekly wages during two hundred weeks.

(14) For the loss of one of the toes, other than the great toe, sixty-five percent of the average weekly wages during ten weeks.

(15) For the loss of the great toe, sixty-five percent of the average weekly wages during thirty weeks.

(16) The loss of more than two-thirds of any toe shall be considered to be equal to the loss of the whole toe.

(17) The loss of less than two-thirds of any toe shall be considered to be equal to the loss of one-half toe.

(18) For the loss of a foot, sixty-five percent of the average weekly wages during one hundred and twenty-five weeks.

(19) For the loss of a leg, sixty-five percent of the average weekly wages during two hundred weeks.

(20) For the total and permanent loss of the sight of an eye, sixty-five percent of the average weekly wages during one hundred weeks, plus an additional twenty weeks in cases where the eyeball is enucleated.

(21) For the total and permanent loss of hearing in one ear, sixty-five percent of the average weekly wages during seventy-five weeks.

Section 7. Section 342.110 of the Kentucky Revised Statutes is amended to read as follows:

In all other cases of permanent partial disability, including any disfigurement which will impair the future usefulness or occupational opportunities of the injured employe, or employe disabled by an occupational disease, compensation shall be determined according to the percentage of disability, taking into account, among other things, any previous disability, the nature of the physical injury or disfigurement, the occupation of the injured employe and age at the time of injury or at the time the disability from an occupational disease began.

Compensation for an injury or disability to a member shall not exceed the amount allowable for the loss of such member unless the effects of the injury or disability extends beyond the member to the body as a whole so that it adversely affects a workman's general ability to labor, or limits his occupational opportunities to obtain the kind of work he is customarily able to do.

The compensation paid therefor shall be sixty-five percent of the average weekly earnings of the employe but not less than sixteen dollars nor more than thirty-one dollars, multiplied by the percentage of disability caused by the injury or occupational disease, for such period as the board determines, not exceeding four hundred weeks nor a maximum sum of twelve thousand four hundred dollars. Compensation payable under this section shall be affected by the earnings of the employe after the accident, or after his disability from an occupational disease, whether they be the same, or greater, or less than prior to the accident or disability from an occupational disease. Whenever the weekly payments under this section would be less than sixteen dollars per week, the period may be shortened and the payments correspondingly increased to that amount. Where compensation, except as provided in KRS 342.020 and 342.030, is paid under any other provision of this chapter, the period during which such other compensation is paid shall be deducted from the maximum period which may be paid under this section.

Section 8. Section 342.111 of the Kentucky Revised Statutes is amended to read as follows:

(1) When an employe, who has been awarded disability compensation by the Workmen's Compensation Board, shall die as a result of such injury or occupational disease prior to the payment to him of the amount of the award, then the dependents of the deceased employe shall be allowed and paid all allowed and unpaid awards made to such employe. Provided, however, that the dependents of such deceased employe shall, within one year after the death of such employe, file with the Workmen's Compensation Board, in such form as the board may require, a written verified application, stating therein the date of the death of such deceased employe; the amount of such allowed and uncollected award; the name, age, postoffice address, and the relation of each of said dependents to the deceased. Thereupon the Workmen's Compensation Board shall notify in writing the company, person or insurance carrier against whom such award was made; and shall fix a time and place for a hearing, of which notice shall be given, to determine the dependency of those making such claim; and shall make an award or order for the benefit of those found to be entitled thereto. Provided, however, that the number of weekly payments to be paid to the dependents shall be the number of weeks remaining after deducting the number of weekly payments made to the decedent from the number of weeks allowed in the original award.

(2) The total amount paid and payable to the decedent and his dependents shall not exceed the amount now payable for death at the average weekly wage of the decedent at the time of his injury, and the weekly payments to the dependents shall not exceed the sum provided in KRS 342.070.

Section 9. Section 342.120 of the Kentucky Revised Statutes is amended to read as follows:

(1) A claimant may in the original application for benefits, or either party may by motion while the case is pending, accompanied by proper allegations, and the board shall upon its own motion at any time before the rendition of the final award, cause the Subsequent Claim Fund to be made a party to the proceedings if either or both of the following appears:

(a) The employe is disabled, whether from a compensable injury, occupational disease, pre-existing disease, or otherwise, and has received a subsequent compensable injury by accident, or has developed an occupational disease.

(b) The employe is found to have a dormant non-disabling disease condition which was aroused or brought into disabling reality by reason of a subsequent compensable injury by accident or an occupational disease.

(2) When the Subsequent Claim Fund has been made a party the board shall direct the procedures provided in KRS 342.121.

(3) If it is found that the employe is a person mentioned in sub-section (1) (a) or (b) and a subsequent compensable injury or occupational disease has resulted in additional permanent disability so that the degree of disability caused by the combined disabilities is greater than that which would have resulted from the subsequent injury or occupational disease alone, and the employe is entitled to receive compensation on the basis of the combined disabilities, the employer shall be liable only for the degree of disability which would have resulted from the latter injury or occupational disease had there been no pre-existing disability or dormant, but aroused diseased condition.

(4) The remaining compensation for which such resulting condition would entitle the employe, including any compensation for disability resulting from a dormant disease aroused into disabling reality by the injury or occupational disease, but excluding all compensation which the provisions of this chapter would have afforded on account of prior disabling disease had it been compensated thereunder, shall be paid out of the Subsequent Claim Fund provided for in subsection (1) of KRS 342.122.

(5) Upon motion, with notice to the Commissioner of Industrial Relations, and it appearing to the Board that a claimant who has been awarded compensation under any one of the several provisions of this chapter becomes re-employed by the employer against whom the award was made, or continues in his employment in which he was injured, any part of the award not paid at the time the claimant becomes re-employed shall be paid out of the Subsequent Claim Fund; or, if the claimant has continued in his employment then the whole award shall be paid from the Subsequent Claim Fund. Said unpaid portion of the award shall be awarded against the Subsequent Claim Fund and paid by the Commissioner of Industrial Relations as are all other Subsequent Claim awards.

Section 10. Section 342.121 of the Kentucky Revised Statutes is amended to read as follows:

(1) If on a claim for compensation for disability resulting from a subsequent injury by accident or occupational disease any medical question shall be in controversy, or a determination thereof necessary to the proper apportionment of liability therefor, the board shall refer the case to a physician appointed by it for the purpose of investigating and reporting to the board on the medical questions involved. The physician shall make his report to the Workmen's Compensation Board in writing with respect to all medical questions at issue or necessary to the apportionment of disability between the subsequent injury and the prior existing disability at the time of employment. The report shall show the date of prior disablement or latent, nondisabling disease, which, if in the dispute, shall be deemed a medical question.

(2) The physician appointed as provided in subsection (1) of this section shall be allowed necessary traveling expenses and reasonable fees, to be fixed by the board to each physician for making such examination and report, plus a reasonable allowance for expenses incurred in making such examination. The board may also allow traveling expenses to the employe. Such fees and expenses so approved by the board shall be paid out of the Subsequent Claim Fund in cases for subsequent injuries or occupational diseases.

(3) The physician shall, as soon as practicable after he has completed his consideration of the case, but not later than fifteen days after the examination of the employe report in writing his findings on every medical question in controversy. The physician shall also include in his report a statement indicating the physician or physicians, if any, who appeared before them, and what, if any, medical reports and X-rays were considered by them.

(4) The decision or award in the case shall conform to the findings and conclusions in such report in so far as restricted to medical questions; provided, however, that any such findings and conclusions may be set aside, reversed or modified, by the board's award or decision, in case an application for review is made to the board within ten days after the report is filed with the board and the interested parties notified, subject, however, to the following special provisions; no such findings of the physician shall be subject to review unless specific objections thereto shall be filed with the board by a party in interest within the time limited in which to apply for review of such report.

(5) The provisions of this section shall apply only to persons mentioned in KRS 342.120.

Section 11. Section 342.122 of the Kentucky Revised Statutes is amended to read as follows:

(1) In addition to the taxes and assessments imposed by KRS 342.450 and 342.475, a Subsequent Claim Fund Tax at the rate of three-fourths of one percent of the amount of premiums received shall be paid by every insurance carrier as defined in KRS 342.445, subject to the credits therein set out, and the board shall assess against the payrolls of every employer carrying his own risk a Subsequent Claim Fund Tax computed by taking three-fourths of one percent of the effective premiums determined as provided in KRS 342.475. The provisions of KRS 342.450, 342.455, 342.460, 342.465 and 342.470 shall, so far as applicable, also apply to the levy and collection of such additional tax of three-fourths of one percent of such premiums of insurance carriers.

(2) All taxes and assessments imposed by subsection (1) of this section shall be paid into the State Treasury and shall be credited to the Subsequent Claim Fund for the board, which fund shall be used

only for the payment of awards of compensation made by the board and chargeable against said fund, expenses of legal representation thereof, fees and expenses of the Medical Committee in connection therewith, and shall be withdrawn for that purpose under the supervision of the Commissioner of Industrial Relations.

(3) Any sum remaining in the Subsequent Claim Fund to the credit of the Workmen's Compensation Board at the end of any fiscal year shall be set up by the Department of Finance to the credit of the Board in such fund for the next ensuing fiscal year.

(4) If the amount to the credit of the Subsequent Claim Fund as of June 30 of any year exceeds $200,000, the tax of three-fourths of one percent upon insurance premiums provided for under subsection (1) of this section and the three-fourths of one percent assessment upon employers carrying their own risk provided for under subsection (1) of this section shall not be assessed or collected during the ensuing year.

(5) The fund heretofore designated as the Subsequent Injury Fund is abolished and there is substituted therefor the Subsequent Claim Fund as herein set out and all monies and properties owned by the Subsequent Injury Fund are transferred to the Subsequent Claim Fund.

Section 12. Section 342.125 of the Kentucky Revised Statutes is amended to read as follows:

(1) Upon its own motion or upon the application of any party interested and a showing of change of conditions, mistake or fraud, the board may at any time review any award or order, ending, diminishing or increasing the compensation previously awarded, within the maximum and minimum provided in this chapter, or change or revoke its previous order, sending immediately to the parties a copy of its subsequent order or award. Review under this section shall be had upon notice to the parties interested and shall not affect the previous order or award as to any sums already paid thereunder.

(2) Where an agreement has become an award by approval of the Board, and a review of such an award is initiated, no statement contained in the agreement, whether as to jurisdiction, liability of the employer, nature and extent of disability, or as to any other matter, shall be considered by the board as an admission against the interests of any party. The parties may raise any issue upon review of this type of award which could have been considered upon an original application for benefits.

Section 13. Section 342.185 of the Kentucky Revised Statutes is amended to read as follows:

No proceeding under this chapter for compensation for an injury or death shall be maintained unless a notice of the accident shall have been given to the employer as soon as practicable after the happening thereof and unless a claim for compensation with respect to such injury shall have been made within one year after the date of the accident, or in case of death, within one year after such death, whether or not a claim has been made by the employe himself for compensation. Such notice and such claim may be given or made by any person claiming to be entitled to compensation or by some one in his behalf. If payments of compensation as such have been made voluntarily the making of a claim within such period shall not be required, but shall become requisite following the suspension of such voluntary payments.

Section 14. Section 342.265 of the Kentucky Revised Statutes is amended to read as follows:

If the employe and employer reach an agreement conforming to the provisions of this chapter in regard to compensation, a memorandum of the agreement shall be filed with the board, and, if approved by it, shall be enforceable as is herein provided for the enforcement of awards by the board. Nothing herein shall prevent the voluntary payment of compensation in the amounts and for the periods prescribed in this chapter without formal agreement, but nothing shall operate as a final settlement except a memorandum of agreement filed with and approved by the board in accordance with this section. No limitations of time shall begin to run until the date upon which such agreement is filed with and approved by the board.

Section 15. Section 342.285 of the Kentucky Revised Statutes is amended to read as follows:

(1) An award or order of the board as provided in KRS 342.275, if application for review is not filed as provided for in KRS 342.280, shall be conclusive and binding as to all questions of fact, but either party may, within twenty days after the rendition of such final award or order of the board, by petition appeal to the circuit court that would have jurisdiction to try an action for damages for the injuries if this chapter did not exist, for the review of such order or award, the board and the adverse party being made respondents.

(2) The petition shall state fully the grounds upon which a review is sought, and assign all errors relied on. Summons shall issue upon the petition directing the adverse party to file answer within fifteen days after service thereof and directing the board to send its entire original record, properly bound, to the clerk of the circuit court, after certifying that such record is its entire original record, which shall be filed by the clerk of the circuit court and such record shall then become and be considered by the circuit court on the review.

(3) No new or additional evidence may be introduced in the circuit court except as to the fraud or misconduct of some person engaged in the administration of this chapter and affecting the order, ruling or award, but the court shall otherwise hear the cause upon the record as certified by the board and shall dispose of the cause in summary manner, its review being limited to determining whether or not:

(a) The board acted without or in excess of its powers;

(b) The order, decision, or award was procured by fraud;

(c) The order, decision, or award is not in conformity to the provisions of this chapter; and

(d) If findings of fact are in issue, whether such findings of fact support the order, decision or award.

(4) The board and each party may appear in such review proceedings; the court shall enter judgment affirming, modifying or setting aside the order, decision or award, or in its discretion remanding the cause to the board for further proceedings in conformity with the direction of the court. The court may, before judgment and upon a sufficient showing of fact, remand the cause to the board.

Section 16. Section 342.316 of the Kentucky Revised Statutes is amended to read as follows:

(1) "Occupational Disease" as used in this chapter means a disease arising out of and in the course of the employment. Ordinary diseases of life to which the general public is equally exposed outside of the employment shall not be compensable, except where such diseases follow as an accident of an occupational disease as defined in this section.

(a) A disease shall be deemed to arise out of the employment only if there is apparent to the rational mind, upon consideration of all the circumstances, a direct causal connection between the conditions under which the work is performed and the occupational disease, and which can be seen to have followed as a natural incident to the work as a result of the exposure occasioned by the nature of the employment and which can be fairly traced to the employment as the proximate cause, and which does not come from a hazard to which workmen would have been equally exposed outside of the employment. The disease shall be incidental to the character of the business and not independent of the relationship of employer and employe. The disease need not have been foreseen or expected but, after its contraction, it must appear to have had its origin in a risk connected with the employment and to have flowed from that source as a rational consequence.

(b) "Injurious exposure" as used in this section shall mean that exposure to occupational hazard which would, independently of any other cause whatsoever, produce or cause the disease for which claim is made.

(2) The procedure with respect to the giving of notice of disability or death and as to the filing of claims and determination thereof in occupational disease cases and the compensation and medical benefits payable for disability or death due to such disease shall be the same as in cases of accidental injury or death under the general provisions of this chapter except that notice of disability shall be given to the employer as soon as practicable after the employe first experiences a distinct manifestation of an occupational disease in the form of symptoms reasonably sufficient to apprise him that he has contracted such disease, or a diagnosis of such disease is first communcated to him, whichever shall first occur.

(3) The right to compensation under this chapter for disability resulting from an occupational disease shall be forever barred unless a claim is filed with the Workmen's Compensation Board within one year after the last injurious exposure to the occupational hazard or after the employe first experiences a distinct manifestation of an occupational disease in the form of symptoms reasonably sufficient to apprise him that he has contracted the disease, whichever shall last occur; and if death results from the occupational disease within said period, unless a claim therefor be filed with the Workmen's Compensation Board within one year after such death; provided, however, that notice of such claim shall be deemed waived in case of disability or death where the employer, or his insurance carrier, voluntarily makes payment therefor, or, if the incurrence of the disease or the death of the employe, and its cause was known to the employer.

(4) In claims for compensation due to the occupational disease of silicosis it must be shown that the employe was exposed to the hazards of the disease in his employement within this state for at least two years immediately next before his disability or death.

(5) The amount of compensation payable for disability due to occupational disease or for death from such disease, and the time and manner of its payment, shall be the same as provided for accidental injury or death under the general provisions of the Workmen's Compensation Act, but in no event to exceed such amounts, and, provided further, that the time of the beginning of compensation payments shall be the date of the employe's last injurious exposure to the cause of the disease, or the date of actual disability, whichever is later, and provided further, that in case of death where the employe has been awarded compensation or made timely claim within the period provided for in this section, an employe has suffered continuous disability to the date of his death occurring at any time within ten years from the date of disability, his dependents, if any, shall be awarded compensation for his death as provided for under the general provisions of the Workmen's Compensation Act and in this section.

(6) In case of disability or death from silicosis, an occupational disease, complicated with tuberculosis of the lungs, compensation shall

be payable as for uncomplicated silicosis, provided, however, that silicosis was an essential factor in causing such disability or death.

(7) If an autopsy has been performed, no testimony relative thereto shall be competent unless the employer or his representative and a representative of the deceased employe shall have participated therein or been given reasonable opportunity to do so.

(8) No compensation shall be payable for occupational disease if the employe at the time of entering the employment of the employer by whom compensation would otherwise be payable, falsely represented himself, in writing, as not having been previously disabled, laid off, or compensated in damages or otherwise, because of such disease, or failed or omitted truthfully to state to the best of his knowledge, in answer to written inquiry made by the employer, the place, duration and nature of previous employement, or, to the best of his knowledge, the previous state of his health.

(9) Where an occupational disease is aggravated by other disease or infirmity not itself compensable, or where disability or death from any other cause, not itself compensable is aggravated, prolonged, accelerated or in anywise contributed to by occupational disease the compensation payable shall be reduced and limited to such proportion only of the compensation that would be payable if occupational disease were the sole cause of the disability or death as such occupational disease, as a causative factor, bears to all causes of such disability or death, such reduction in compensation to be affected by reducing the number of weekly or monthly payments or the amount of such payments as under the circumstances of the particular case may be for the best interests of the claimant or claimants.

(10) No compensation for death from occupational disease shall be payable to any person whose relationship to the deceased, which, under the provisions of this chapter would give right to compensation, arose, subsequent to the beginning of the first compensable disability, save only to after-born children of a marriage existing at the beginning of such disability.

(11) Whenever any claimant misconceives his remedy and files an application for adjustment of claim under the general provisions of this chapter and it is subsequently discovered, at any time before the final disposition of such cause, that the claim for injury, disability or death which was the basis for such application should properly have been made under the provisions of this section, then the application so filed may be amended in form or substance, or both, to assert a claim for such injury, disability or death under the provisions of this section, and it shall be deemed to have been so filed as amended on the date of the original filing thereof, and such compensation may be awarded as is warranted by the whole evidence pursuant to the provisions of this chapter. When such amendment is submitted, further

or additional evidence may be heard by the board when deemed necessary. Nothing this section contains shall be construed to be or permit a waiver of any of the provisions of this chapter with reference to notice of time for filing of a claim, but notice of filing a claim if given or done, shall be deemed to be a notice of filing of a claim under provisions of this chapter, if given or done within the time required herein.

(12) When an employe has an occupational disease that is covered by this chapter, the employer in whose employment he was last injuriously exposed to the hazard of the disease, and the employer's insurance carrier, if any, at the time of the exposure, shall alone be liable therefor, without right to contribution from any prior employer or insurance carrier.

Section 17. Section 342.475 of the Kentucky Revised Statutes is amended to read as follows:

Every employer carrying his own risk under KRS 342.340 shall, under oath, report to the board his payroll subject to this chapter. Such report shall be made in form prescribed by the board and at the time provided for premium reports by insurer. The board shall assess against such payroll a maintenance fund tax computed by taking two percent of the effective premiums chargeable against it or most similar industry or business.

Section 18. Section 342.485 of the Kentucky Revised Statutes is amended to read as follows:

If the total net surplus to the credit of the maintenance fund on June 30th of any year exceeds $200,000.00 neither the tax provided for under KRS 342.475 nor the tax provided for under KRS 342.450 shall be collected.

Section 19. Section 342.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any employer subject to this chapter who refuses or willfully neglects to make the report required by KRS 342.330 shall be fined not more than twenty-five dollars for each offense.

(2) Any person who violates KRS 342.335 shall be fined not less than fifty dollars nor more than five hundred dollars or imprisoned for not less than ten nor more than ninety days.

(3) Any person who violates subsection (2) of KRS 342.400 shall be fined not less than fifty dollars nor more than two hundred dollars or imprisoned for not less than ten nor more than ninety days.

(4) Any employer who violates KRS 342.420 shall be fined not more than one hundred dollars for each offense.

(5) Any person who violates any of the provisions of KRS 342.445 to 342.475 shall be fined not less than one hundred dollars nor

more than one thousand dollars or imprisoned for not less than ten nor more than ninety days, or both.

(6) Any employer who shall willfully violate any provision of KRS 342.016 or 342.017 shall be guilty of a misdemeanor and upon conviction shall be fined not less than one hundred dollars nor more than five hundred dollars, and each day's operation in violation of KRS 342.016 and 342.017 shall constitute a separate offense, and such employer shall be enjoined from continuing such violations at the suit of the Attorney General in an action instituted by him in the Franklin Circuit Court, on which jurisdiction to try such action is hereby conferred.

(7) Any person who violates the provisions of subsection (1) of KRS 342.265 shall be fined not less than one hundred dollars nor more than five hundred dollars.

Calendar

HB 29, HB 83, HB 102, HB 184, HB 285, HB 309, HB 331, HB 344, HB 348, HB 373, HB 383, HB 392, HB 398, HB 408, HB 416, and **SB 159** were taken from the Calendar and ordered read at length for the second time. Representative Ray moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

HB 193 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Young moved to amend **HB 193** as follows: "Amend printed copy of HB 193 on page 1, section 1, line 8 and 9 "After the word "agriculturalists" delete the words "or those experenced in related industries", and insert a comma after agriculturalists." Agreed.

On the roll call, the vote was yeas 65—Alexander, Bates, Baumgardner, Brizendine, Earl Carter, Castle, Caudill, Childress, Chumbler, Cole, Colley, Cook, Cottengim, Cowherd, Crecelius, Davis, Denham, Dobyns, Dowell, Edmunds, Ellis, Farmer, Fern, Fields, Garner, Hahn, Haley, Hampton, Hardin, Henry, Hinkle, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, C. H. Martin, Miles, Moorman, L. F. Morgan, Neel, Nichols, Nolan, Ostertag, Osting, Peniston, Qualls, Quinn, Ray, Rayburn, Render, Robinson, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Treas, Tucker, G. T. White, J. E. White, Young. Nays 2—C. C. Carter, Clark. **HB 193** was passed and the title agreed to.

HB 44 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected. Representative Ray moved to adopt the Committee Substitute for **HB 44.** Agreed.

Representative Lowman moved to amend **HB 44** as follows: Amend printed copy of **HB 44** on page 1-2, section 2, line 3-6 by deleting the following words: "Such tax shall be used for the purpose of supplementing the salaries of the school teachers of the county, and shall not be considered in computing any appropriation from state funds for any purpose." Rejected.

Representative Lowman moved to amend **HB 44** as follows: "Amend printed copy of **HB 44** (Committee Substitute) on page 1, section 2, line 1-2 by deleting the following words: "for school purposes." The Speaker resumed the Chair. Representative Ford moved to lay the amendment to **HB 44** on the Clerk's desk. Representative Ford moved to withdraw his motion. Agreed. Representative Colley moved to recommit **HB 44.** Agreed.

SB 155 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 74—Alexander, Barton, Bates, Baumgardner, Buckman, C. C. Carter, Earl Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Cook, Cottengim, Cowherd, Crecelius, Denham, Dobyns, Dowell, Edmunds, Ellis, Farmer, Fern, Fields, Ford, Garner, Hahn, Haley, Hall, Hampton, Hardin, Harris, Henry, Hinkle, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Miles, Moloney, Moorman, Fred Morgan, L. F. Morgan, Murphy, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Peniston, Qualls, Quinn, Ray, Rayburn, Render, Roberts, Slusher, A. C. Smith J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White, Young. Nays 0.—**SB 155** was passed and the title agreed to.

HB 332 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 69—Alexander, Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Earl Carter, Castle, Childress, Chumbler, Clark, Colley, Cook, Paul Cornett, Cottengim, Cowherd, Crecelius, Denham, Dowell, Edmunds, Ellis, Farmer, Fern, Fields, Ford, Garner, Haley, Hampton, Hardin, Henry, Hinkle, Hislope, Hopkins, Irick, Isler, Lovins, Lyon, C. H. Martin, Miles, Moloney, Moorman, Fred Morgan, L. F. Morgan, Murphy, Neel, Nichols, Nolan, Osborn, Osting, Peniston, Qualls, Quinn, Ray, Rayburn, Render, Robinson, A. C. Smith, Virgil Smith, Spurrier, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White, Young. Nays 3—Hahn, Dobyns, Slusher. **HB 332** was passed and the title agreed to.

HB 159 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Ray moved to adopt Committee Substitute to **HB 159.** Agreed.

Representative Ray moved the Previous Question on **HB 159.** Agreed.

On the roll call, the vote was yeas 52—Bates, Baumgardner, Brizendine, Buckman, Caudill, Childress, Chumbler, Colley, Cottengim, Cowherd, Crecelius, Dobyns, Dowell, Edmunds, Ellis, Farmer, Fields, Ford, Hampton, Hardin, Henry, Hinkle, Hopkins, Irick, Isler, Lankford, Lyon, Miles, Moloney, Moorman, Murphy, Neel, Nichols, Nolan, Osborn, Osting, Peniston, Quinn, Ray, Roberts, Robinson, Slusher, J. D. Smith, Virgil Smith, Steiger, Stidham, Summe, Tanner, Treas, Tucker, Wathen, Young. Nays 20—C. C. Carter, Castle, Clark, Cook, Cornett, Davis, Garner, Haley, Hall, Hays, Hislope, Fred Morgan, L. F. Morgan, Qualls, Render, A. C. Smith, Spurrier, Stacy, G. T. White, J. E. White. **HB 159** was passed and the title agreed to.

HB 320 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 71—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, Castle, Caudill, Childress, Chumbler, Clark, Colley, Cook, Cowherd, Crecelius, Davis, Denham, Dobyns, Dowell, Ellis, Farmer, Fields, Ford, Hahn, Haley, Hall, Hampton, Hardin, Harris, Henry, Hinkle, Hislope, Hopkins, Irick, Lankford, Lovins, Lyon, C. H. Martin, Miles, Moloney, Moorman, Fred Morgan, L. F. Morgan, Murphy, Nichols, Nolan, Osborn, Ostertag, Osting, Peniston, Qualls, Quinn, Ray, Rayburn, Render, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White, Young. Nays1—Edmunds. **HB 320** was passed and the title agreed to.

HB 321 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Moloney moved to amend **HB 321** as follows: "Amend printed copy of HB 321 on page 1, section 1, line 3 by inserting after the word duties; "by members of the Commission or their designated representatives." Agreed.

On the roll call, the vote was yeas 72—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, Earl Carter, Castle, Caudill, Childress, Chumbler, Clark, Colley, Cook, Cowherd, Crecelius, Davis, Denham, Dobyns, Edmunds, Ellis, Farmer, Fields, Ford, Garner, Hahn, Haley, Hampton, Hardin, Harris, Henry, Hinkle, Hislope, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, C. H. Martin, Miles, Moloney, Moorman, Fred Morgan, L. F. Morgan, Murphy, Nichols, Nolan, Osborn, Ostertag, Osting, Peniston, Qualls, Quinn, Ray, Rayburn, Render, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White, Young. Nays 0—**HB 321** was passed and the title agreed to.

Introduction of Bills and Resolutions

HB 458, by Representative Isler: AN ACT relating to occupational license taxes imposed by cities of the fourth, fifth and sixth classes.

HB 459, by Representatives Brizendine and Bates: AN ACT relating to board of education.

HB 460, by Representatives Caudill, Bates, Brizendine and Hislope: AN ACT relating to the transfer of teachers, principals and other school employees.

HB 461, by Representative Albert C. Smith: AN ACT relating to compensation of public officers and employes.

HB 462, by Representatives Alexander, Bates, Brizendine, Buckman, Charles C. Carter, Caudill, Clark, Cole, Colley, Cook, Cornett, Denham, Ellis, Fern, Ford, Garner, Hardin, Hays, Henry, Irick, Isler, Lankford, Lyon, Moorman, Luther F. Morgan, Murphy, Neel, Ostertag, Quinn, Ray, Reynolds, Roberts, Robinson, Slusher, Summe, Tanner, Treas, Tucker and Wathen: AN ACT relating to military service recognition.

HB 463, by Representatives Dobyns, Robinson, Lyon, Nolan, Colley, Stacy, Caudill and Hardin: AN ACT relating to rural electric and telephone cooperatives.

HB 464, by Representatives Fitzpatrick and Murphy: AN ACT relating to the creation of water commissions by cities and water districts for the joint acquisition, operation and financing of sources of supply of water.

HB 465, by Representative Nichols: AN ACT relating to fire protection for areas of the Commonwealth located outside of existing fire-protection zones.

HB 466, by Representative Ray: AN ACT relating to Kentucky statutes.

HB 467, by Representatives Wathen and Ford: AN ACT providing for the conduct of public business in public.

HB 468, by Representative Ray: AN ACT relating to airports.

HB 469, by Representative Ray: AN ACT relating to forest fire prevention.

HB 470, by Representative Ray: AN ACT relating to forest pest control.

HB 471, by Representative Ray: AN ACT relating to watershed conservancy districts.

HB 472, by Representative Ray: AN ACT relating to workmen's compensation coverage for members of the Kentucky National Guard.

HB 473, by Representatives Ray and Nichols: AN ACT relating to the regulation for the termite and pest control industry.

HB 474, by Representative Bates: AN ACT relating to judicial sales.

HR 95, by Representatives Lowman and Ray: A JOINT RESOLUTION directing the Legislative Research Commission to study the possible uses of television in the education system of the Commonwealth.

Representative Ray moved to adjourn until 9:00 A.M., March 4. Agreed.

FORTY-EIGHTH LEGISLATIVE DAY

FRIDAY, MARCH 4, 1960

The House was called to order by the Speaker.

Invocation by Reverend Fred T. Moffatt of the First Baptist Church of Frankfort.

The roll was called. All present except Representatives Caudill, Cornett, Davis, Hardwick, Hill, Ben Martin, Houtchens, Neel, Parrish, Rausch, Reynolds, Albert C. Smith and Wood.

Reading of Journal for March 3, dispensed with and the same approved on motion of Representative Isler.

Report on Enrolled Bills

Committee on Enrollment reported **HB 42, HB 48, HB 50, HB 53, HB 56, HB 117, HB 140, HB 142, HB 180, HB 183, HB 197, HB 199, HB 235, HB 236, HB 237, HB 238, SB 46,** and **SB 112** read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate. **SB 46** and **SB 112** read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Governor.

Motions, Petitions and Communications

The Speaker announced the names of the following as additional members of Rules Committee: Representatives Henry, Harris and Davis.

Senate Message

Announcing passage of **HR 53, HR 62, HR 70, HB 17, HB 32, HB 260, SR 41, SR 47, SB 55, SB 146, SB 163, SB 179** and **SB 193.**

HR 97, by Representatives Isler, Fitzpatrick, Cottegim, Summe, Ostertag, Murphy, and Roberts: A RESOLUTION in memory of Mr. Charles Lugannani.

WHEREAS, word of the death of Mr. Charles Lugannani has just reached the House of Representatives; and

WHEREAS, the House of Representatives wishes to extend its condolences to his son, Mr. Paul Lugannani, a representative of the Cincinnati Enquirer and member of the Capitol Press Club, and to the other members of the family of Mr. Charles Lugannini,

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That when the House of Representatives adjourns today, it adjourns in memory of Mr. Charles Lugannani.

Section 2. That the House of Representatives extends to the family of Mr. Charles Lugannnani its profound and deepest sympathy.

Representative Isler moved to adopt **HR 97.** Agreed.

Orders of the Day

Representative Fitzpatrick moved that vote on **HB 242** by which **HB 242** was reconsidered and said motion laid on the table be reconsidered.

On the roll call, the vote was yeas 52—Burress, Earl Carter, Castle, Caudill, Childress, Cole, Cottengim, Crecelius, Dexter, Dobyns, Farmer, Faulkner, Fields, Fitzpatrick, Garner, Griffin, Hahn, Haley, Hampton, Hardin, Harris, Hays, Hislope, Hopkins, Isler, Lankford, Miles, Miller, Fred Morgan, L. F. Morgan, Murphy, Neel, Nolan, Ostertag, Osting, Qualls, Quinn, Rayburn, Reynolds, Robinson, J. D. Smith, Virgil Smith, Spurrier, Stacy, Steiger, Stidham, Summe, Treas, Tucker, G. T. White, J. E. White, Young. Nays 21—Alexander, Bates, Brizendine, Charles C. Carter, Cowherd, Dean, Denham, Edmunds, Ellis, Ford, Henry, Hinkle, Irick, Lyon, C. H. Martin, Moloney, Nichols, Osborn, Peniston, Tanner, Wathen. The motion to reconsider was agreed.

Representative Caudill moved that the vote by which **HB 242** was defeated be reconsidered.

On the roll call, the vote was yeas 49—Burress, Earl Carter, Castle, Caudill, Childress, Cole, Colley, Cottengim, Crecelius, Dexter, Dobyns, Fields, Fitzpatrick, Garner, Griffin, Hahn, Haley, Hardin, Harris, Hays, Hislope, Hopkins, Irick, Isler, Lankford, Miles, Miller, Fred Morgan, L. F. Morgan, Murphy, Neel, Nolan, Ostertag, Osting, Qualls, Quinn, Rayburn, Reynolds, Robinson, J. D. Smith, Spurrier, Stacy, Steiger, Stidham, Summe, Treas, Tucker, J. E. White, Young. Nays 22—Alexander, Barton, Bates, Brizendine, Charles C. Carter, Cowherd, Dean, Denham, Edmunds, Ellis, Ford, Henry, Hinkle, Lyon, C. H. Martin, Moloney, Nichols, Osborn, Peniston, Slusher, Tanner and Wathen. The motion to reconsider **HB 242** was agreed.

Representative Fitzpatrick moved that **HB 242** be placed upon its passage. The Speaker ruled that **HB 242** is property of Rules Committee. The Speaker's decision was upheld.

Report of Committees

Committee on Rules reported **SB 184**, **SB 182** and **SB 198** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 184, AN ACT relating to newspaper publications for the purpose of legal notice or advertisement; including provisions to govern publications required by law to be made, and requiring certain matters to be published.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Sections 424.110, 424.120, 424.130, 424.140, 424.150, 424.160, 424.220, 424.240, 424.260, 424.270, 424.290, 424.340 and 424.990 of the Kentucky Revised Statutes are amended to read as follows:

424.110 Definitions. As used in KRS 424.110 to 424.370:

(1) "Publication area" means the city, county, district or other local area for which an advertisement is required by law to be made. An advertisement shall be deemed to be for a particular city, county, district or other local area if it concerns an official activity of such city, county, district or other area or of any governing body, board, commission, officer, agency or court thereof, or if the matter of which advertisement is made concerns particularly the people of such city, county, district or other area.

(2) "Advertisement" means any matter required by law to be published.

424.120 Qualifications of newspapers. (1) Except as provided in subsection (2), whenever an advertisement for a publication area is required by law to be published in a newspaper, the publication must be made in a newspaper that meets the following requirements:

(a) It must be published in the publication area. A newspaper shall be deemed to be published in the area if it maintains a known office in the area for the purpose of gathering news and soliciting advertisements and other general business of newspaper publications, and has a second-class mailing permit issued for that office. A newspaper printed outside of Kentucky shall not be eligible to publish advertisements for any county or publication area within the county, other than for the city in which its main office is located, if there is a newspaper printed in the county that has a substantial general circulation throughout the county and that otherwise meets the requirements of this section. And

(b) It must be of regular issue and have the largest bona fide circulation in the publication area. A newspaper shall be deemed to be of regular issue if it is published regularly, as frequently as once a week, for at least 50 weeks during the calendar year as prescribed by its mailing permit, and has been so published in the area for the immediately preceding one-year period. A newspaper shall be deemed to be of bona fide circulation in the publication area if it is circulated generally in the area, and maintains a definite price or consideration not less than 50 percent of its published price, and is paid for by not less than 50 percent of those to whom distribution is made. And

(c) It must bear a title or name, consist of not less than four pages without a cover, and be of a type to which the general public resorts for passing events of a political, religious, commercial and social nature, and for current happenings, announcements, miscellaneous reading matter, advertisements, and other notices. The news content must be at least 25 percent of the total column space in more than one-half of its issues during any twelve-month period.

(2) If, in the case of a publication area smaller than the county

in which it is located, there is no newspaper published in the area, the publication shall be made in a newspaper published in the county that is qualified under this section to publish advertisements for the county. If, in any county there is no newspaper meeting the requirements of this section for publishing advertisements of such county, any advertisements required to be published for such county or for any publication area within the county shall be published in a newspaper of the largest bona fide circulation in that county, published in and qualified to publish advertisements for an adjoining county in Kentucky. This subsection is intended to supersede any statute that provides or contemplates that newspaper publication may be dispensed with if there is no newspaper printed or published or of general circulation in the particular publication area.

(3) If a publication area consists of a district, other than a city, which extends into more than one county, the part of the district in each county shall be considered to be a separate publication area for the purposes of this section, and an advertisement for each such separate publication area shall be published in a newspaper qualified under this section to publish advertisements for such area.

424.130 Times and periods of publication. (1) Except as otherwise provided in KRS 424.110 to 424.370 and notwithstanding any provision of existing law providing for different times or periods of publication, the times and periods of publications of advertisements required by law to be made in a newspaper shall be as follows:

(a) When an advertisement is of a completed act, such as an ordinance, resolution, regulation, order, rule, report, statement, or certificate and the purpose of the publication is not to inform the public or the members of any class of persons that they may or shall do an act or exercise a right within a designated period or upon or by a designated date, the advertisement shall be published one time only and within thirty days after completion of the act. However, a failure to comply with this paragraph shall not subject a person to any of the penalties provided by KRS 424.990 unless such failure continues for a period of ten days after notice to comply has been given him by registered letter.

(b) When an advertisement is for the purpose of informing the public or the members of any class of persons that on or before a certain day they may or shall file a petition or exception or a remonstrance or protest or objection, or resist the granting of an application or petition, or present or file a claim, or submit a bid, the advertisement shall be published at least once, but may be published two or more times, provided that one publication occurs not less than seven days nor more than twenty-one days before the occurrence of the act or event.

(c) When an advertisement is for the purpose of inforcing the public and the advertisement is of a sale of property or is a notice of delinquent taxes, the advertisement shall be published once a week for three successive weeks.

(d) Any advertisement not coming within the scope of paragraph (a) or (b) or (c) of this subsection, such as one for the purpose of informing the public or the members of any class of persons of the holding of an election, or of a public hearing, or of an examination, or of an opportunity for inspection, or of the due date of a tax or special assessment, shall be published at least once but may be published two or more times, provided that one publication occurs not less than seven days nor more than twenty-one days before the occurrence of the act or event, or in the case of an inspection period, the inspection period commences.

(e) If the particular statute requiring that an advertisement be published provides that the day upon or by which, or the period within which, an act may or shall be done or a right exercised, or an event may or shall take place, is to be determined by computing time from the day of publication of an advertisement, the advertisement shall be published at least once, promptly, in accordance with the statute, and the computation of time shall be from the day of initial publication.

(2) This section is not intended to supersede or affect any statute providing for notice of the fact that an adversary action in court has been commenced.

424.140 Contents or form of advertisements. (1) Any advertisement of a hearing, meeting or examination shall state the time, place and purpose of the same.

(2) Any advertisement of an election shall state the time and purpose of the election, and if the election is upon a public question the advertisement shall state the substance of the question.

(3) Any advertisement for bids or of a sale shall describe what is to be bid for or sold, the time and place of the sale or for the receipt of bids, and any special terms of the sale.

(4) Where any statute provides that, within a specified period of time after action by any governmental agency, unit or body, members of the public or anyone interested in or affected by such action shall or may act, and it is provided by statute that notice of such governmental action be published, the advertisement shall state the time and place when and where action may be taken.

424.150 Person responsible for publishing. When any statute providing for newspaper publication of an advertisement does not designate the person responsible for causing the publication to be made, the responsible person shall be:

(1) Where the advertisement is of the filing of a petition or application, the person by whom the same is filed.

(2) Where the advertisement is of an activity or action of:

(a) An individual public officer, the officer himself.

(b) A city, the city clerk if there be one; if not, the mayor or the chairman of the board of trustees.

(c) A county, the county court clerk.

(d) A district, or a board, commission or agency of a city, county or district, the chief administrative or executive officer or agent thereof.

(e) A court, the clerk thereof.

(f) A state department or agency, the head thereof.

424.160 Rates. (1) For all newspaper advertising required by law, the publisher is entitled to receive payment for each insertion at a rate per linear inch, single column, computed as solid eight-point measure. The rate shall not exceed that paid by general advertisers for comparable matter, but in no case shall it be less than $1.00 per linear inch for weekly newspapers and $1.50 per linear inch for daily newspapers.

(2) Whenever by law or by the nature of the matter to be published a display form of advertisement is required, or whenever the person or officer responsible for causing an advertisement to be published determines in his discretion that a display form is practicable or feasible, and so directs the newspaper, the advertisement shall be published in display form and the newspaper shall be entitled to receive therefor its established display rate.

(3) Whenever it is provided by statute that an advertisement shall be published of the filing of a petition or application seeking official action, the filing, if required by other than a governmental official or agency, shall not be deemed complete unless there is deposited with the petition or application an amount sufficient to pay the cost of publication.

(4) The expense of advertisements in judicial proceedings shall be taxed as costs by the clerk of the court.

424.220 Financial statements. Excepting officers of a city of the first class, a county containing such a city, a public agency of such a city or county, or a joint agency of such a city and county, or of a school district of such a city or county, and excepting officers of a city of the second class that is required by law to publish an annual audit of its financial affairs, every public officer of any school district, city, county, or subdivision or district less than a county, whose duty it is to collect, receive, have the custody, control or disbursement of public funds, and every officer of any board or commission of a city, county or district whose duty it is to collect, receive, have the custody, control or disbursement of funds collected from the public in the form of rates, charges or assessments for services or benefits, shall at the expiration of each fiscal year prepare an itemized, sworn statement of the funds collected, received, held or disbursed by him during the fiscal year just closed, unless he has complied with KRS 424.230. The statement shall show the amount of funds collected and received, from what sources received, the amount disbursed, the date of each disbursement, for what purpose expended, and to whom paid, except that only the totals of amounts paid to each person need to be shown. The officer shall procure and include in or attach to the statement as a part thereof a certificate from the cashier or other proper officer of the banks in which the funds are or have been deposited during the past year, showing the balance, if any, of funds to the credit of the officer making the statement. The officer, shall, within 60 days after the close of the fiscal year, cause the statement to be published in full in a newspaper qualified under KRS 424.120 to publish advertisements for the city, county or district, as the case may be. Promptly after the publication is made, the officer shall file a written or printed copy of the advertisement with proof of publication, in the office of the county court clerk of the county. Within 30 days after publication the officer shall file with the Auditor of Public Accounts a copy of the newspaper containing the statement.

424.240 City Budget. Immediately following the adoption of an annual budget by any city other than one of the first class, the city clerk shall cause a summary of the budget or the text of the budget ordinance to be advertised for the city by publication in a newspaper.

424.260 Bids for materials, supplies, equipment or services. Except where a statute specifically fixes a larger sum as the minimum for a requirement of advertisement for bids, no city, county or district, or board or commission of a city or county, may make a contract for materials, supplies or equipment, or for contractural services other than professional, involving an expenditure of more than $1,000.00 without first making newspaper advertisement for bids. Provided, however that this requirement shall not apply in an emergency if the chief executive officer of such city, county or district has duly certified that an emergency exists, and has filed a copy of such certificate with the chief financial officer of such city, county, or district.

424.270 Local administrative regulations. No general regulation of uniform application throughout the publication area promulgated by any officer, board or commission of a city, county, or district, which is intended to impose liabilities or restrictions upon the public shall be valid unless and until it, or a notice of such promulgation, together with a statement where the original regulation may be examined by the public, has been advertised by newspaper publication.

424.290 Election ballot facsimiles. Not less than three days before any primary or regular election the county court clerk shall cause to be published in a newspaper a facsimile of the ballot or ballots, or when voting machines are to be used, of the face of the voting machines showing the ballot labels in place. Where the ballots or voting machine faces differ for various precincts within the county, a facsimile of each different ballot or voting machine face shall be published, with appropriate identification. The cost of publication shall be paid by the county, except that the cost of publishing any ballot or voting machine face that is limited to a city election or a district election other than a school district election, shall be paid by the city or the district as the case may be.

424.340 Appointment of personal representatives, and notice to creditors. (1) Except as provided in subsections (2) and (3), the administrator or executor of the estate of any decedent shall, upon receipt of his letters of appointment, cause notice to be given by newspaper publication of the fact of his appointment, and that all persons having claims against the estate shall present them, verified according to law, to the administrator or executor, at a designated address, not later than a designated date, to be fixed as three months after the final publication. The first publication shall be made within one month after the receipt of the letters of appointment.

(2) Such publication is not required where notice to creditors has been published by a former administrator or executor of the estate.

(3) The court may in its discretion dispense with such publication when the gross assets of the estate are insufficient to pay preferred claims. The court may also dispense with publication when the gross assets of the estate, including real and personal property, do not exceed $1,500 in value, in which case the administrator or executor, within one month after receipt of his letters of appointment, shall post notices in three prominent places, including the courthouse of the county of his appointment, setting forth the fact of his appointment and notifying creditors of the decedent to present their claims to him by a designated date, which shall be three months after the date on which the notices are posted.

424.990 Penalties. Any person who violates any provision of KRS 424.110 to 424.370 shall be fined not less than $50 nor more than $500. In addition, any officer who fails to comply with any of the provisions of KRS 424.220, 424.230, 424.240, 424.250, 424.290 or 424.330 shall, for each such failure, be subject to a forfeiture of not less than $50 nor more than $500, in the discretion of the court, which may be recovered only once, in a civil action brought by any citizen of the city, county or district for which the officer serves. The costs of all proceedings, including a reasonable fee for the attorney of the citizen bringing the action, shall be assessed against the unsuccessful party.

Section 2. Sections 424.200 and 424.350 of the Kentucky Revised Statutes are repealed.

Section 3. Section 29 of Chapter 42 of the Acts of 1958 is amended to read as follows:

This Act is intended to standardize and make uniform the law relating to legal advertisements and to that end it shall supersede all other statutes and parts of statutes containing specialized provisions for particular advertisements, to the extent that such provisions are in conflict with this Act. All statutes or parts of statutes in conflict with this Act are hereby repealed to the extent of said conflict.

SB 182, AN ACT relating to Social Security for public officers and employes.

WHEREAS Congress has recently modified the rates of Social Security contributions, thereby necessitating a change in the State statute with regard to the contribution required to be made by and on behalf of public officers and employes, both state and local.

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 61.450 is amended to read as follows:

(1) (a) Every employe of the state whose services are covered by an agreement entered into under KRS 61.430 shall be required to pay for the period of such coverage, into the contribution fund established by KRS 61.470, contributions, with respect to wages received during the calendar years 1951 to 1953, both inclusive, equal to one and one-half percent of such wages; with respect to wages received during the calendar years of 1954 to 1956, both inclusive, not to exceed two percent of such wages; with respect to wages received during the calendar years 1957 to 1958, both inclusive, not to exceed two and one-fourth percent of such wages; with respect to wages received during the calendar year 1959, not to exeed two and one-half percent of such wages; with respect to wages received during the calendar years 1960 to 1962, both inclusive, not to exceed three percent of such wages; with respect to wages received during the calendar years 1963 to 1965, both inclusive, not to exceed three and one-half percent of such wages; with respect to wages received during the calendar years 1966 to 1968, both inclusive, not to exceed four percent of such wages; and with respect to wages received after December 31, 1968, not to exceed four and one-half percent of such wages. Such liability shall arise in consideration of the empoye's retention in the service of the state, or his entry upon such service, after March 14, 1951.

(b) Notwithstanding the wording of the preceding paragraph, the rate of contributions shall, in all cases, be identical with the rate of contributions, or taxes, imposed by the Federal Insurance Contributions Act, as amended, and the Social Security Act, as amended.

(2) The contribution imposed by this section shall be collected by deducting the amount of the contribution from wages as and when paid, but failure to make such deduction shall not relieve the employe from liability for such contribution.

(3) If more or less than the correct amount of the contribution imposed by this section is paid or deducted with respect to any remuneration, proper adjustments, or refund if adjustment is im-

practicable, shall be made, without interest, in such manner and at such times as the state agency shall prescribe.

Section 2. KRS 61.460 is amended to read as follows:

(1) Each political subdivision of the state is hereby authorized to submit for approval by the state agency a plan for extending the benefits of Title II of the Social Security Act, in conformity with applicable provisions of such Act, to employes of such political subdivision. Each such plan and any amendment thereof shall be approved by the state agency if it finds that such plan, or such plan as amended, is in conformity with such requirements as are provided in regulations of the state agency, except that no such plan shall be approved unless:

(a) It is in conformity with the requirements of the Social Security Act and with the agreement entered into under KRS 61.430;

(b) It provides that all services which constitutes employment and are performed in the employ of the political subdivision by employes thereof, shall be covered by the plan;

(c) It specifies the source or sources from which the funds necessary to make the payments required by paragraph (a) of subsection (3) and by subsection (4) are expected to be derived and contains reasonable assurance that such sources will be adequate for such purpose;

(d) It provides for such methods of administration of the plan by the political subdivision as are found by the state agency to be necessary for the proper and efficient administration thereof;

(e) It provides that the political subdivisions will make such reports, in such form and containing such information, as the state agency may from time to time require, and will comply with such provisions as the state agency or the Federal Security Administrator may from time to time find necessary to assure the correctness and verifications of such reports; and

(f) It authorizes the state agency to terminate the plan in its entirety, in the discretion of the state agency, if it finds that there has been failure to comply substantially with any provision contained in such plan, such termination to take effect at the expiration of such notice and on such conditions as may be provided by regulations of the state agency, and as may be consistent with the provisions of the Social Security Act.

(2) The state agency shall not finally refuse to approve a plan submitted by a political subdivision under subsection (1), and shall not terminate an approved plan, without reasonable notice and opportunity for hearing to the political subdivision affected thereby.

(3) (a) Each political subdivision for which a plan has been approved under this section is authorized to, and shall, pay into the Contribution Fund, with respect to wages, at such time or times as the state agency may by regulation prescribe, contributions in the amounts and at the rates specified in the applicable agreement

entered into by the state agency under KRS 61.430, and, furthermore, in anticipation of the due date of any payments of contributions required herein, is authorized to, and shall, make such advancements as the state agency, by regulation or contract, may require;

(b) Each political subdivision is authorized to, and shall, make such payments as are determined by the state agency to be necessary for the purpose of defraying the expenses incurred by the state agency in administering KRS 61.410 to 61.500 for the benefit of those employes covered under any plan approved under subsection (1) of this section, but in no event shall such amount be greater than five percent of the contributions required under paragraph (a) of this subsection. Such payments shall be made into the State Treasury and shall be credited to a separate trust and agency fund to be used by the state agency solely for the purpose stated herein;

(c) Each political subdivision required to make payments under paragraph (a) of this subsection is authorized, in consideration of the employe's retention in, or entry upon, employment after the effective date of KRS 61.410 to 61.500, to impose upon each of its employes, as to services which are covered by an approved plan, a contribution, with respect to wages received during the calendar years 1951 to 1953, both inclusive, equal to one and one-half percent of such wages; with respect to wages received during the calendar years 1954 to 1956, both inclusive, not to exceed two percent of such wages; with respect to wages received during the calendar years 1957 to 1958, both inclusive, not to exceed two and one-fourth percent of such wages; with respect to wages received during the calendar year 1959, not to exceed two and one-half percent of such wages; with respect to wages received during the calendar years 1960 to 1962, both inclusive, not to exceed three percent of such wages; with respect to wages received during the calendar years 1963 to 1965, both inclusive, not to exceed three and one-half percent of such wages; with respect to wages received during the calendar years 1966 to 1968, both inclusive, not to exceed four percent of such wages; and with respect to wages received after December 31, 1968, not to exceed four and one-half percent of such wages. Contributions so collected shall be paid into the contribution fund in partial discharge of the liability of such political subdivision under paragraph (a) of this subsection. Failure to deduct such contribution shall not relieve the employe or employer of liability therefore.

(d) Notwithstanding the wording of the preceding paragraph, the rate of contributions shall, in all cases, be identical with the rate of contributions, or taxes, imposed by the Federal Insurance Contributions Act, as amended, and the Social Security Act, as amended.

(4) Delinquent payments due under paragraph (a) of subsection (3), with interest at the rate of six per centum per annum, may be recovered by action in the Franklin Circuit Court against the political subdivision liable therefor, or may, at the request of the state agency,

be deducted from any other moneys payable to such subdivision by any department or agency of the state.

SB 198, AN ACT relating to insurance and insurance companies, and amending certain sections and adding other sections of Chapter 304 of the Kentucky Revised Statutes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 304.069 of the Kentucky Revised Statutes is amended to read as follows:

(1) Except as otherwise provided in this section, an insurer which otherwise qualifies therefor may be authorized to transact any one or more kinds of insurance as defined in KRS 304.340 to 304.356 of this code.

(2) A life insurer shall transact, in addition, only disability insurance, except that any life insurer which immediately prior to September 1, 1950, held a certificate of authority to transact in this state certain kinds of insurance in addition to life and disability insurance, may continue to be so authorized by the Commissioner. A reciprocal or Lloyd's insurer shall not transact life insurance.

(3) A title insurer shall transact no additional kind of insurance and shall not have stock control of or have its stock controlled by any insurer authorized to transact any kind of insurance other than title insurance, except that an insurer which immediately prior to the effective date of this Act held a certificate of authority to transact title insurance in this state shall continue to be so authorized by the Commissioner.

(4) Subject to the limitations of subsection (3) of this section, a life insurer may create wholly owned subsidiaries for the purpose of transacting any one or more of the kinds of insurance, (including life insurance) as defined in KRS 304.340 to 304.356 of this code, and, subject to such limitation, a life insurer may acquire securities of other insurers authorized to transact any one or more of such kinds of insurance.

Section 2. Section 304.123 of the Kentucky Revised Statutes is amended to read as follows:

(1) Upon receipt of the articles of incorporation of the proposed insurer, the Commissioner shall submit such articles to the Attorney General for examination. Within ten days after receipt thereof the Attorney General shall return the articles to the Commissioner with a written statement as to whether the articles comply with law.

(2) If the Attorney General has found the articles to be in compliance with law and has so stated to the Commissioner, the Commissioner shall stamp or otherwise certify his approval thereon, retain one copy of the articles for his files and deliver the remaining three copies of the articles to the incorporators for filing as provided by laws governing business corporations generally.

(3) The incorporators shall concurrently file with the Commissioner duplicates of filings made on behalf of the corporation with the Director of the Division of Securities pursuant to Chapter 292 of the Kentucky Revised Statutes, and upon compliance with the provisions of such chapter governing sale of securities, the incorporators may open books to receive subscriptions for capital stock of the corporation.

(4) After all stock stated by the articles as the amount of capital with which the corporation will begin business (which shall not be less than the applicable minimum amounts required by the provisions of this chapter to qualify for authority to transact the kind of insurance specified by the articles) has been subscribed and paid for either in cash or in assets of the kind eligible for the investment of the capital stock of a domestic life insurer under this code, the incorporators shall make application for a certificate of authority as provided in KRS 304.060 to 304.115.

(5) In addition to the requirements of KRS 304.120 to 304.144, the incorporators shall also comply with such other applicable laws governing the organization of domestic business corporations as are not in conflict with the provision of KRS 304.120 to 304.144.

Section 3. Section 304.132 of the Kentucky Revised Statutes is amended to read as follows:

(1) The insurer may increase or decrease its capital stock in the manner provided for corporations generally, subject to KRS 304.140 relative to decrease of capital stock to cure impairment, but no decrease shall be effective until the Commissioner has examined the insurer's affairs and has found that the rights of persons doing business with the insurer will not be prejudiced by any such decrease.

(2) No provision of this chapter shall be construed to prohibit an insurer from having authorized but unissued capital stock as permitted to business corporations generally under the provisions of Chapter 271 of the Kentucky Revised Statutes.

Section 4. Section 304.366 of the Kentucky Revised Statutes is amended to read as follows:

The following expressly shall not be allowed as assets in any determination of the financial condition of an insurer:

(1) Goodwill, trade names, agency plants and other like intangible assets.

(2) Prepaid or deferred charges for expenses and commissions paid by the insurer except the unaccrued portion of taxes paid prior to due date, on real property acquired or used pursuant to KRS 304.437.

(3) Advances to officers or directors (other than policy loans); and advances to employes, agents and other persons on personal security only.

(4) Stock of such insurer, owned by it, or any equity therein or loans secured thereby, or any proportionate interest in such stock

through the ownership by such insurer of an interest in another firm, corporation or business unit.

(5) Furniture, furnishings, fixtures, safes, equipment, vehicles, library, stationery, literature, and supplies; except, such personal property as the insurer is permitted to hold pursuant to item (f) of subsection (2) of KRS 304.437, or which is acquired through foreclosure of chattel mortgages acquired pursuant to KRS 304.435, or which is reasonably necessary for the maintenance and operation of real estate lawfully acquired and held by the insurer other than real estate used by it for home office, branch office, and similar purposes, provided, however, that this subsection shall not apply to electronic computer or data processing machines or systems acquired by an insurer pursuant to KRS 304.401.

(6) The amount, if any, by which the aggregate book value of investments as carried in the ledger assets of the insurer exceeds the aggregate value thereof as determined under this code.

Section 5. Section 304.383 of the Kentucky Revised Statutes is amended to read as follows:

(1) Annual valuation. The Commissioner shall annually value, or cause to be valued, the reserve liabilities (hereinafter, in this section, called reserves) for all outstanding life insurance policies and annuity and pure endowment contracts of every life insurer doing business in this state (except that in the case of an alien insurer such valuation shall be limited to its United States business), and may certify the amount of any such reserve, specifying the mortality table or tables, rate or rates of interest and methods (net level premium method or other) used in the calculation of such reserves. In calculating such reserves, he may use group methods and approximate averages for fractions of a year or otherwise. In lieu of the valuation of the reserves herein required of any foreign or alien insurer, he may accept any valuation made, or caused to be made, by the insurance supervisory official of any state or other jurisdiction when such valuation complies with the minimum standard herein provided and if the official of such state or jurisdiction accepts as sufficient and valid for all legal purposes the certificate of valuation of the Commissioner when such certificate states the valuation to have been made in a specified manner according to which the aggregate reserves would be at least as large as if they had been computed in the manner prescribed by the law of that state or jurisdiction. The cost of making valuations under this section, not to exceed one cent per each one thousand dollars of insurance, shall be assessed on the insurer whose policies are so valued. Any such insurer which at any time shall have adopted any standard of valuation producing greater aggregate reserves than those calculated according to the minimum standard herein provided may, with the approval of the Commissioner, adopt any lower standard of valuation, but not lower than the minimum herein provided.

(2) Minimum valuation standard for old policies. The minimum standard for the valuation of all such policies and contracts issued prior to the operative date of KRS 304.828 shall be that provided by the laws in effect immediately prior to such date. Reserves for all such policies and contracts may be calculated, at the option of the insurer, according to any standards which produce greater aggregate reserves for all such policies and contracts than the minimum reserves required by the laws in effect immediately prior to such date.

(3) Minimum valuation standard for new policies. This subsection shall apply to only those policies and contracts issued on or after the operative date of KRS 304.828.

(a) The minimum standard for the valuation of all such policies and contracts shall be the Commissioner's reserve valuation method defined in paragraph (b), three and one-half percent interest, and the following tables:

(i) For all ordinary policies of life insurance issued on the standard basis, excluding any disability and accidental death benefits in such policies, the Commissioners 1941 Standard Ordinary Mortality Table for such policies issued prior to the operative date of subsection (6) of KRS 304.828 as amended, and the Commissioners 1958 Standard Ordinary Mortality Table for such policies issued on or after such operative date; provided that for any category of such policies issued on female risks all modified net premiums and present values referred to in this section may be calculated according to an age not more than three years younger than the actual age of the insured.

(ii) For all industrial life insurance policies issued on the standard basis, excluding any disability and accidental death benefits in such policies, the 1941 Standard Industrial Mortality Table.

(iii) For annuity and pure endowment contracts, excluding any disability and accidental death benefits in such policies, the 1937 Standard Annuity Mortality Table.

(iv) For total and permanent disability benefits in or supplementary to ordinary policies or contracts, Class (3) Disability Table (1926) which, for active lives, shall be combined with a mortality table permitted for calculating the reserves for life insurance policies.

(v) For accidental death benefits in or supplementary to policies, the Inter-Company Double Indemnity Mortality Table combined with a mortality table permitted for calculating the reserves for life insurance policies.

(vi) For group life insurance, life insurance issued on the substandard basis and other special benefits, such tables as may be approved by the Commissioner.

(b) Reserves, according to the Commissioner's reserve valuation method, for the life insurance and endowment benefits of policies providing for a uniform amount of insurance and requiring the payment of uniform premiums shall be the excess, if any, of the present value at the date of valuation, of such future guaranteed benefits provided for by such policies, over the then present value of any future modified net premiums therefor. The modified net premiums for any such policy shall be such uniform percentage of the respective contract premiums for such benefits that the present value, at the date of issue of the policy, of all such modified net premiums shall be equal to the sum of the then present value of such benefits provided for by the policy and the excess of (i) over (ii), as follows:

(i) A net level annual premium equal to the present value, at the date of issue, of such benefits provided for after the first policy year, divided by the present value, at the date of issue, of an annuity of one per annum payable on the first and each subsequent anniversary of such policy on which a premium falls due; provided, however, that such net level annual premium shall not exceed the net level annual premium on the nineteen year premium whole life plan for insurance of the same amount at an age one year higher than the age at issue of such policy.

(ii) A net one year term premium for such benefits provided for in the first policy year.

Reserves according to the Commissioner's reserve valuation method for: (1) life insurance policies providing for a varying amount of insurance or requiring the payment of varying premiums; (2) annuity and pure endowment contracts; (3) disability and accidental death benefits in all policies and contracts; and (4) all other benefits, except life insurance and endowment benefits in life insurance policies, shall be calculated by a method consistent with the principles of this paragraph (b).

(c) In no event shall a company's aggregate reserves for all life insurance policies, excluding disability and accidental death benefits be less than the aggregate reserves calculated in accordance with the method set forth in paragraph (b) and the mortality table or tables and rate or rates of interest used in calculating non-forfeiture benefits for such policies.

(d) Reserves for any category of policies, contracts or benefits as established by the Commissioner, may be calculated, at the option of the insurer, according to any standards which produce greater aggregate reserves for such category than those calculated according to the minimum standard herein provided, but the rate or rates of interest used shall not be higher than the corresponding rate or rates of interest used in calculating any non-forfeiture benefits provided for therein. Provided, however, that reserves for participating life insurance policies may, with the consent of the Commissioner, be calculated according to a rate of interest lower than the rate of interest used in calculating the non-forfeiture benefits in such policies, with the further provision that if such lower rate differs from the rate used in the calculation of non-forfeiture benefits by more than one-half percent the insurer issuing such policies shall file with the Commissioner a plan providing for such equitable increase, if any, in the cash surrender values and non-forfeiture benefits in such policies as the Commissioner shall approve.

(e) If the gross premium charged by any life insurer on any policy or contract is less than the net premium for the policy or contract according to the mortality table, rate of interest and method used in calculating the reserve thereon, there shall be maintained on such policy or contract a deficiency reserve in addition to all other reserves required by law. For each such policy or contract the deficiency reserve shall be the present value, according to such standard, of an annuity of the difference betwen such net premium and the premium charged for such policy or contract running for the remainder of the premium-paying period.

Section 6. Section 304.401 of the Kentucky Revised Statutes is amended to read as follows:

(1) Insurers shall invest in or loan their funds on the security of, and shall hold as assets, only eligible investments as prescribed in this code, except that investments of insurers may include electronic computer or data processing machines or systems heretofore or hereafter purchased for use in connection with the business of the insurer; provided, however, that such machine or system shall have an original cost of at least Fifty Thousand Dollars, and that the amortized value of such machine or system at the end of any calendar year shall not be greater than the original purchase price less ten percent for each completed year after such purchase.

(2) Any particular investment held by an insurer on September 1, 1950, and which was a legal investment at the time it was made, shall be deemed a legal investment under the provisions of KRS 304.400 to 304.454.

(3) The eligibility of an investment shall be determined as of the date of its making or acquisition.

(4) Any limitation based upon the amount of the insurer's assets shall relate to assets as shown by the insurer's annual statement as of the December 31 preceding date of investment.

Section 7. Section 304.408 of the Kentucky Revised Statutes is amended to read as follows:

(1) An insurer may invest its funds in bonds or other evidences of indebtedness which are payable from revenue, earnings, assessments or other funds specifically pledged therefor of any public toll bridge, structure, or improvement owned by any state, province, incorporated city, or legally constituted public corporation or commission, all within the United States or Canada, for the payment of the principal and interest of which adequate provision has been made, and if no default on the part of the issuer in payment of principal or interest has

occurred on any of its bonds, notes, warrants or other securities, within five years prior to the date of investment therein, or if issued within such five years, since issuance.

(2) An insurer may not invest or have invested at any one time more than fifty percent of its assets in all securities provided for in this section and in KRS 304.406 and 304.407.

Section 8. Section 304.413 of the Kentucky Revised Statutes is amended to read as follows:

(1) An insurer may invest its funds in equipment securities, trust certificates, or other evidences of indebtedness evidencing rights to receive partial payments agreed to be made upon any contract of leasing or conditional sale, or secured by a lien on the property sold or leased and a pledge of sums payable under any such contract of leasing or conditional sale to:

(a) The United States or any instrumentality thereof or any state of the United States or any county, city, town, school, water or sewer district, or legally constituted public corporation or commission;

(b) Companies operating railroads, trucks, buses or barges in the United States or Canada; or

(c) Other companies organized under the laws of the United States, a state of the United States, the District of Columbia, Canada, or a province thereof whose average annual net earnings available for fixed charges (as defined in KRS 304.417 (2), as amended) for a period of five (5) fiscal years next preceding the date of acquisition have been not less than one and one-half (1½) times the average annual fixed charges (as defined in KRS 304.417 (2), as amended) for the same period.

(2) No investment shall be made under this section unless:

(a) No default in payment of interest or principal on such securities has occurred within five years of the date of investment therein or since issuance, if such securities were issued within such five-year period;

(b) The issue thereof has been approved by the proper public authority where such approval was required by law at the time of issuance;

(c) The fixed rentals or partial payments assigned or pledged shall be sufficient to repay the indebtedness within the unexpired term of the contract of leasing or conditional sale.

(3) Investments under this section shall not exceed ten percent of the insurer's assets.

Section 9. Section 304.415 of the Kentucky Revised Statutes is amended to read as follows:

An insurer may invest and have invested at any one time not in excess of an aggregate of thirty percent of its assets in bonds, notes or debentures (other than securities referred to in KRS 304.411, 304.412, 304.413 and 304.417) of solvent corporations existing under the laws of the United States, a state of the United States, the District of Columbia, Canada, or a province thereof, if:

(1) No default in payment of interest or principal on the bonds, notes or debentures to be purchased has occurred within five years of the date of investment therein, or, if such bonds, notes or debentures were issued less than five years prior to the date of investment therein, since issuance;

(2) Such corporation, its predecessor organization or organizations, if any, or its parent corporation, if any, have been in existence for ten years; and

(3) No substantial part of the property of such corporation is subject to any lien or other obligation entitled to priority of payment over such bonds, notes or debentures, except such items as current taxes, mechanics liens, equipment securities, purchase money mortgages, pledges to or deposits with any court or government or agency thereof, and pledges to secure indebtedness incurred in the ordinary course of business and maturing in not more than one year.

Section 10. Section 304.417 of the Kentucky Revised Statutes is amended to read as follows:

(1) An insurer may invest and have invested at any one time not in excess of an aggregate of fifteen percent of its assets in evidences of indebtedness, other than the securities referred to in KRS 304.411, 304.412, 304.413, 304.415, and in preferred stocks of companies organized under the laws of the United States, a state of the United States, the District of Columbia, Canada, or a province thereof, if:

(a) The issuing company has continuously and regularly paid the interest provided for by such evidences of indebtedness, or the dividends provided for by such prefered stock, as the case may be, during the five years preceding the investment or since issuance, if such securities have been issued within such five-year period; and

(b) The average annual net earnings available for fixed charges for a period of five fiscal years next preceding the date of acquisition shall have been not less than one and one-half times the average annual fixed charges for the same period.

(2) For the purposes of this section:

(a) The term "net earnings available for fixed charges" means the net income of the issuing company and its subsidiaries and any predecessor organizations and their subsidiaries, if any, after deducting operating and maintenance expenses, taxes other than federal and state income taxes, depreciation and depletion, but excluding extraordinary nonrecurring items of income or expense appearing in the regular financial statements of such companies;

(b) The term "fixed charges" means interest charges, amortization of debt discount and expense, dividends guaranteed, if any, and, in the case of an investment in preferred stocks, the preferred dividend requirement;

(c) The term "preferred dividend requirement" means cumulative or non-cumulative preferred dividends whether paid or not.

Section 11. Section 304.418 of the Kentucky Revised Statutes is amended to read as follows:

(1) An insurer may invest in the stocks of state or national banks and trust companies, if:

(a) such bank or trust company has been in existence for five years previous to the investment; and

(b) such stock is not subject to assessment for double liability.

(2) An insurer may accept any such stock as collateral on a loan irrespective of such double liability.

(3) Investments under this section shall not exceed ten percent of the insurer's assets.

Section 12. A new section of the Kentucky Revised Stautes is created to read as follows:

(1) A life insurer may invest its funds in dividend-paying common stocks of solvent corporations organized and existing under the laws of the United States, a state of the United States, the District of Columbia, Canada, or a province thereof; provided such corporations or their predecessor organizations have been in existence for at least five years prior to the investment.

(2) Investments under this section shall not exceed five percent of the insurer's assets.

Section 13. Section 304.424 of the Kentucky Revised Statutes is amended to read as follows:

(1) An insurer may have as assets any of its cash funds on deposit in checking or savings account, under certificates of deposit or in any other form in banks and trust companies which have qualified for the insurance protection afforded by the Federal Deposit Insurance Corporation.

(2) An insurer may invest or deposit any of its funds in share or savings accounts of Federal Savings and Loan Associations which have qualified for the protection afforded by the Federal Savings and Loan Insurance Corporation; and in any domestic State Savings and Loan Association which are eligible for the protection afforded by the Federal Savings and Loan Insurance Corporation.

(3) An insurer authorized to transact business in a foreign country may deposit such of its cash funds as may be needed for such business in banks or trust companies of such foreign countries, but no such deposit shall be deemed to be an asset of the insurer for the purpose of this chapter unless it is a deposit in a chartered bank in Canada operating under the Bank Act of Canada.

Section 14. Section 304.431 of the Kentucky Revised Statutes is amended to read as follows:

(1) An insurer may invest its funds in:

(a) 1. Bonds, notes or other evidences of debt which are secured by first mortgages, liens, or deeds of trust on unencumbered, improved or income producing real property located in the United States or in Canada, including leasehold estates in such property having an unexpired term of not less than 21 years, inclusive of the term which may be provided by an enforceable option of renewal in such real property. No lien or other interest in real property shall be considered an encumbrance if it is subordinate to the mortgage, lien, or deed of trust. No mortgage loan upon a leasehold shall be made or acquired by an insurer pursuant to this subsection unless the terms thereof shall provide for amortization payments to be made by the borrower on the principal thereof at least once in each year in amounts sufficient to completely amortize the loan within a period of four-fifths of the term of the leasehold, inclusive of the term which may be provided by an enforceable option of renewal, which is unexpired at the time the loan is made, but in no event exceeding thirty-five years.

2. Chattel mortgages in connection therewith pursuant to KRS 304.435.

3. The equity of the seller of any such property, in the contract for a deed, covering the entire balance due on a bona fide sale of such property, in amount not to exceed ten thousand dollars or the amount permissible under KRS 304.403, whichever is greater, in any one such contract for deed, nor in excess of an amount equal to two-thirds of the actual sale price or fair value of the property, whichever is the smaller.

(b) Purchase money mortgages, vendor's liens or like securities received by it upon the sale of real property acquired pursuant to KRS 304.437.

(c) Bonds or notes secured by mortgage or trust deed guaranteed or insured by, and debentures issued by, the Federal Housing Administrator under the terms of an Act of Congress of the United States for June 27, 1934, entitled the "National Housing Act," as amended.

(d) Bonds or notes secured by mortgages or trust deed of real property, guaranteed or insured as to principal in whole or in part by the Administrator of Veterans' Affairs pursuant to the provisions of Title III of an Act of Congress of the United States of June 22, 1944, entitled the "Servicemen's Readjustment Act of 1944," as amended.

(2) No one such mortgage loan or investment shall exceed two percent of the insurer's assets or five thousand dollars, whichever is greater.

Section 15. Section 304.432 of the Kentucky Revised Statues is amended to read as follows:

(1) No mortgage loan or investment therein upon any one parcel of real property or upon any one leasehold estate shall exceed, at the time of acquisition,

(a) Seventy-five percent of the fair value of the property if it is primarily improved by a single family residence or

(b) Sixty-six and two-thirds percent of the fair value of all other property, as shown by a valuation and appraisement in writing made under oath by at least two competent and impartial appraisers. This provision shall not apply as to purchase money mortgages.

(2) The extent to which a mortgage loan made under items (c) or (d) of subsection (1) of KRS 304.431 is guaranteed or insured by the Federal Housing Administration or guaranteed by the Administrator of Veterans' Affairs may be deducted before application of the limitation contained in this section.

(3) Nothing in this section shall be deemed to prohibit an insurer from renewing or extending a mortgage loan for the original or a less amount even though such amount is greater than the limits prescribed in subsection (1) of this section as applied to the current fair value of the real property or leasehold estate subject to such mortgage.

Section 16. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) A life insurer may invest and have invested not in excess of an aggregate of five percent of its assets in loans or in investments not qualifying or not permitted under Chapter 304 of the Kentucky Revised Statutes.

(2) Investments held under this section shall not be subject to the percentage limitations set out in this code, including those provided in KRS 304.403.

(3) Investments permitted under this section shall include the use of funds by a life insurer in organizing wholly owned subsidiaries as authorized by KRS 304.069, as amended, and in acquiring securities of other insurers as authorized by such section.

Section 17. A new section of the Kentucky Revised Statutes is created to read as follows:

Nothing contained in this chapter shall be deemed to prohibit an insurer from making an investment, which it is otherwise permitted to make under this chapter, because such investment is convertible into other securities or stock in which such insurer is not permitted to invest under this chapter, or because such insurer receives in connection with such investment stock warrants, whether detachable or non-detachable, stock options, stock, property interests or other assets of any kind. Any stock warrant, stock option, stock, property interest or other asset of any kind so received at the time of such investment in connection with such investment may be retained by such insurer and shall be carried on its books at no value; provided, however, that if any such asset attains the standard for eligibility under a section of this code other than Section 16 of this Act, such asset shall be valued and held under the applicable sections of this code.

Section 18. Section 304.828 of the Kentucky Revised Statutes is amended to read as follows:

(1) No policy of life insurance, except as stated in subsection (8) of this section, shall be issued or delivered in this state unless it shall contain in substance the following provisions, or corresponding provisions which in the opinion of the Commissioner are at least as favorable to the defaulting or surrendering policyholders;

(a) That, in the event of default in any premium, the insurer will grant, upon proper request not later than sixty days after the due date of the premium in default, a paid-up non-forfeiture benefit on a plan stipulated in the policy, effective as of such due date, of such value as may be hereinafter specified.

(b) That, upon surrender of the policy within sixty days after the due date of any premium payment in default after premiums have been paid for at least three full years in the case of ordinary insurance or five full years in the case of industrial insurance, the insurer will pay, in lieu of any paid-up non-forfeiture benefit, a cash surrender value of such amount as may be hereinafter specified.

(c) That a specified paid-up non-forfeiture benefit shall become effective as specified in the policy unless the person entitled to make such election elects another available option not later than sixty days after the due date of the premium in default.

(d) That, if the policy shall have become paid up by completion of all premium payments or if it is continued under any paid-up non-forfeiture benefit which became effective on or after the third policy anniversary in the case of ordinary insurance or the fifth policy anniversary in the case of industrial insurance, the company will pay, upon surrender of the policy within thirty days after any policy anniversary, a cash surrender value of such amount as may be hereinafter specified.

(e) A statement of the mortality table and interest rate used in calculating the cash surrender values and the paid-up non-forfeiture benefits available under the policy, together with a table showing the cash surrender value, if any, and paid-up non-forfeiture benefits, if any, available under the policy on each policy anniversary either during the first twenty policy years or during the term of the policy, whichever is shorter, such values and benefits to be calculated upon the assumption that there are no dividends or paid-up additions credited to the policy and that there is no indebtedness to the insurer on the policy.

(f) A statement of the method to be used in calculating the cash surrender value and the paid-up non-forfeiture benefit available under the policy on any policy anniversary beyond the last anniversary for which such values and benefits are consecutively shown in the policy with an explanation of the manner in which the cash surrender values and the paid-up non-forfeiture benefits are altered by the existence of any paid-up additions credited to the policy or any indebtedness to the insurer on the policy.

(2) Any of the provisions or portions thereof, of subsection (1) of this section not applicable by reason of the plan of insurance may, to the extent inapplicable, be omitted from the policy. The insurer shall reserve the right to defer the payment of any cash surrender value for a period of six months after the demand therefor with surrender of the policy.

(3) Any cash surrender value available under the policy in the event of default in a premium payment due on any policy anniversary, whether or not required by subsection (1), shall be an amount not less than the excess, if any, of the present value, on such anniversary, of the future guaranteed benefits which would have been provided for by the policy, including any existing paid-up additions, if there had been no default, over the sum of: (a) the then present value of the adjusted premiums as defined in subsections (5) and (6), corresponding to premiums which would have fallen due on and after such anniversary; and (b) the amount of any indebtedness to the insurer on the policy. Any cash surrender value available within thirty days after any policy anniversary under any policy paid up by completion of all premium payments or any policy continued under paid-up non-forfeiture benefit, whether or not required by subsection (1), shall be an amount not less than the present value, on such anniversary, of the future guaranteed benefits provided for by the policy, including any existing paid-up additions, decreased by any indebtedness to the insurer on the policy.

(4) Any paid-up non-forfeiture benefit available under the policy in the event of default in a premium payment due on any policy anniversary shall be such that its present value as of such anniversary shall be at least equal to the cash surrender value then provided for by the policy or, if none is provided for, that cash surrender value which would have been required by this section in the absence of the condition that premiums shall have been paid for at least a specified period.

(5) The adjusted premiums for any policy shall be calculated on an annual basis and shall be such uniform percentage of the respective premiums specified in the policy for each policy year, excluding any extra premiums charged because of impairment or special hazards, that the present value, at the date of issue of the policy, of all such adjusted premiums shall be equal to the sum of: (a) the then present

value of the future guaranteed benefits provided for by the policy; (b) two percent of the amount of insurance, if the insurance be uniform in amount, or of the equivalent uniform amount, as hereinafter defined, if the amount of insurance varies with duration of the policy; (c) forty percent of the adjusted premium for the first policy year; and (d) twenty-five percent of either the adjusted premium for the first policy year or the adjusted premium for a whole life policy of the same uniform or equivalent uniform amount with uniform premiums for the whole life issued at the same age for the same amount of insurance, whichever is less. Provided, however, that in applying the percentages specified in (c) and (d) above, no adjusted premium shall be deemed to exceed four percent of the amount of insurance or level amount equivalent thereto. The date of issue of a policy for the purpose of this subsection shall be the date as of which the rated age of the insured is determined. In the case of a policy providing an amount of insurance varying with duration of the policy, the equivalent uniform amount thereof for the purpose of this subsection shall be deemed to be the level amount of insurance provided by an otherwise similar policy, containing the same endowment benefit or benefits, in any, issued at the same age and for the same term, the amount of which does not vary with duration and the benefits under which have the same present value at the date of issue as the benefits under the policy; provided, however, that in the case of a policy providing a varying amount of insurance issued on the life of a child under age ten, the equivalent uniform amount may be computed as though the amount of insurance provided by the policy prior to the attainment of age ten were the amount provided by such policy at age ten, or at expiry, if earlier. Except as otherwise provided in subsection (6), all adjusted premiums and present values referred to in this section shall for all policies of ordinary insurance be calculated on the basis of the Commissioners 1941 Standard Ordinary Mortality Table, provided that for any category of ordinary insurance issued on female risks, adjusted premiums and present values may be calculated according to an age not more than three years younger than the actual age of the insured. Such calculations for all policies of industrial insurance shall be made on the basis of the 1941 Standard Industrial Mortality Table. All calculations shall be made on the basis of the rate of interest, not exceeding three and one-half percent per annum, specified in the policy for calculating cash surrender values and paid-up non-forfeiture benefits. Provided, however, that in calculating the present value of any paid-up term insurance with accompanying pure endowment, if any, offered as a non-forfeiture benefits, the rates of mortality assumed may be not more than one hundred and thirty percent of the rates of mortality according to such applicable table. Provided, further, that for insurance issued on a substandard basis, the calculation of any such adjusted premiums and present values may be based on such other table of mortality as may be specified by the insurer and approved by the Commissioner.

(6) In the case of ordinary policies issued on or after the operative date of this subsection as defined herein, all adjusted premiums and present values referred to in this section shall be calculated on the basis of the Commissioners 1958 Standard Ordinary Mortality Table and the rate of interest, not exceeding three and one-half percent per annum, specified in the policy for calculating cash surrender values and paid-up non-forfeiture benefits, provided that for any category of ordinary insurance issued on female risks, adjusted premiums and present values may be calculated according to an age not more than three years younger than the actual age of the insured. Provided, however, that in calculating the present value of any paid-up term insurance with accompanying pure endowment, if any, offered as a non-forfeiture benefit, the rates of mortality assumed may be not more than those shown in the Commissioners 1958 Extended Term Insurance Table. Provided, further, that for insurance issued on a substandard basis, the calculation of any such adjusted premiums and present value may be based on such other table of mortality as may be specified by the insurer and approved by the Commissioner.

After the effective date of this subsection (6), any insurer may file with the Commissioner a written notice of its election to comply with the provisions of this subsection after a specified date before January 1, 1966. After the filing of such notice, then upon such specified date (which shall be the operative date of this subsection for such insurer), this subsection shall become operative with respect to the ordinary policy thereafter issued by such insurer. If an insurer makes no such election, the operative date of this subsection for such insurer shall be January 1, 1966.

(7) Any cash surrender value and any paid-up non-forfeiture benefit, available under the policy in the event of default in a premium payment due at any time other than on the policy anniversary, shall be calculated with allowance for the lapse of time and the payment of fractional premiums beyond the last preceding policy anniversary. All values referred to in subsections (3), (4), (5) and (6) may be calculated upon the assumption that any death benefit is payable at the end of the policy year of death. The net value of any paid-up additions, other than paid-up term additions, shall be not less than the dividends used to provide such additions. Notwithstanding the provisions of subsection (3), additional benefits payable: (a) in the event of death or dismemberment by accident or accidental means; (b) in the event of total and permanent disability; (c) as reversionary annuity or deferred reversionary annuity benefits; (d) as term insurance benefits provided by a rider or supplemental policy provision to which, if issued as a separate policy, this section would not apply; and (e) as other policy benefits additional to life insurance and endowment benefits, and premiums for all such additional benefits, shall be disregarded

in ascertaining cash surrender values and non-forfeiture benefits required by this section, and no such additional benefits shall be required to be included in any paid-up non-forfeiture benefits.

(8) This section shall not apply to any reinsurance, group insurance, pure endowment, annuity or reversionary annuity contract, nor to any term policy of uniform amount, or renewal thereof, of fifteen years or less expiring before age sixty-six, for which uniform premiums are payable during the entire term of the policy, nor to any term policy of decreasing amount on which each adjusted premium, calculated as specified in subsections (5) and (6), is less than the adjusted premium so calculated, on such fifteen-year term policy issued at the same age and for the same initial amount of insurance, nor to any policy which shall be delivered outside this state through an agent or other representative of the insurer issuing the policy.

(9) In construing the provisions of this section, "ordinary insurance" or "insurance upon the ordinary plan" shall be considered to be insurance that may be paid for by a single premium, by annual premiums or by semi-annual or quarterly or other installments thereon at the option of the insurer; and "industrial insurance" shall be considered to be insurance as defined in KRS 304.872.

(10) Any condition or stipulation in the policy of insurance or elsewhere contrary to the provisions of this section, and any waiver of such provisions by the assured, shall be void.

(11) If any insurer shall have filed with the Commissioner after June 13, 1944, a written notice of its election to comply with the provisions of this section after a specified date before January 1, 1948, then upon such specified date (which shall be the operative date for such insurer) this section shall have become operative with respect to the policies thereafter issued by such insurer. If any insurer shall not have made such an election, the operative date of this section for such insurer shall be January 1, 1948.

Section 19. Section 304.839 of the Kentucky Revised Statutes is amended to read as follows:

The lives of a group of individuals may be insured under a policy issued to an employer, or to the trustees of a fund established by an employer, which employer or trustee is deemed the policy-holder, insuring employes of the employer for the benefit of persons other than the employer, subject to the following requirements:

(1) The employes eligible for insurance under the policy shall be all of the employes of the employer, or all of any class or classes thereof determined by conditions pertaining to their employment. The policy may provide that the term "employes" shall include the employes of one or more subsidiary corporations, and the employes, individual proprietors, and partners of one or more affiliated corporations, proprietors or partnerships if the business of the employer and

of such affiliated corporations, proprietors or partnerships is under common control through stock ownership, contract, or otherwise. The policy may provide that the term "employes" shall include the individual proprietor or partners if the employer is an individual proprietor or a partnership. The policy may provide that the term "employes" shall include retired employes. No director of a corporate employer shall be eligible for insurance under the policy unless such person is otherwise eligible as a bona fide employe of the corporation by performing services other than the usual duties of a director. No individual proprietor or partner shall be eligible for insurance under the policy unless he is actively engaged in and devotes a substantial part of his time to the conduct of the business of the proprietor or partnership.

(2) The premium for the policy shall be paid by the policyholder, either wholly from the employer's funds or funds contributed by him, or partly from such funds and partly from funds contributed by the insured employes, except that the entire premium may be paid from funds contributed by the insured employes if the amount of insurance does not exceed one thousand dollars on the life of any employe. A policy on which any part of the premium is to be derived from funds contributed by the insured employes may be placed in force only if at least seventy-five percent of the then eligible employes, excluding any as to whom evidence of individual insurability is not satisfactory to the insurer, elect to make the required contributions. A policy on which no part of the premium is to be derived from funds contributed by the insured employes must insure all eligible employes, or all except any as to whom evidence of individual insurability is not satisfactory to the insurer.

(3) The policy must cover at least ten employes at date of issue.

(4) The amounts of insurance under the policy must be based upon some plan precluding individual selection either by the employes or by the employer or trustees. No policy may be issued which provides term insurance on any employe which together with any other term insurance under any group life insurance policy or policies issued to the employers or any of them or to the trustees of a fund established in whole or in part by the employers or any of them exceeds twenty-five thousand dollars, unless 200 percent of the annual compensation of such person from his employer or employers exceeds twenty-five thousand dollars, in which event all such term insurance shall not exceed fifty thousand dollars or 200 percent of such annual compensation, whichever is the lesser.

Section 20. Section 304.842 of the Kentucky Revised Statutes is amended to read as follows:

The lives of a group of individuals may be insured under a policy issued to a labor union, which shall be deemed the policyholder, to insure members of such union for the benefit of persons other than the union or any of its officials, representatives or agents, subject to the following requirements:

(1) The members eligible for insurance under the policy shall be all of the members of the union, or all of any class or classes thereof determined by conditions pertaining to their employment, or to membership in the union, or both.

(2) The premium for the policy shall be paid by the policyholder, either wholly from the union's funds, or partly from such funds and partly from funds contributed by the insured members specifically for their insurance. No policy may be issued on which the entire premium is to be derived from funds contributed by the insured members specifically for their insurance. A policy on which part of the premium is to be derived from funds contributed by the insured members specifically for their insurance may be placed in force only if at least seventy-five percent of the then eligible members, excluding any as to whom evidence of individual insurability is not satisfactory to the insurer, elect to make the required contributions. A policy on which no part of the premium is to be derived from funds contributed by the insured members specifically for their insurance must insure all eligible members, or all except any as to whom evidence of individual insurability is not satisfactory to the insurer.

(3) The policy must cover at least twenty-five members at date of issue.

(4) The amounts of insurance under the policy must be based upon some plan precluding individual selection either by the members or by the union. No policy may be issued which provides term insurance on any union member which, together with any other term insurance under any group life insurance policies issued to the union, exceeds twenty-five thousand dollars, unless 200 percent of the annual compensation of such person from his employer or employers exceeds twenty-five thousand dollars, in which event all such term insurance shall not exceed fifty thousand dollars or 200 percent of such annual compensation, whichever is the lesser.

Section 21. Section 304.844 of the Kentucky Revised Statutes is amended to read as follows:

The lives of a group of individuals may be insured under a policy issued to the trustees of a fund established by two or more employers in the same industry or by one or more labor unions, or by one or more employers and one or more labor unions, which trustees shall be deemed the policyholder, to insure employes of the employers or members of the unions for the benefit of persons other than the employers or the unions, subject to the following requirements:

(1) The persons eligible for insurance shall be all of the employes of the employers or all of the members of the union, or all of any class or classes thereof determined by conditions pertaining to their employment, or to membership in the unions, or to both. The

policy may provide that the term "employes" shall include retired employes, and the individual proprietor or partners if an employer is an individual proprietor or a partnership. No director or a corporate employer shall be eligible for insurance under the policy unless such person is otherwise eligible as a bona fide employe of the corporation by performing services other than the usual duties of a director. No individual proprietor or partner shall be eligible for insurance under the policy unless he is actively engaged in and devotes a substantial part of his time to the conduct of the business of the proprietor or partnership. The policy may provide that the term "employes" shall include the trustees or their employes, or both, if their duties are principally connected with such trusteeship.

(2) The premium for the policy shall be paid by the trustees either: (a) wholly from funds contributed by the employer or employers of the insured persons, or by the union or unions, or by both; or (b) partly from such funds and partly from funds contributed by the insured employes or members. No policy may be issued under the provisions of this section on which the entire premium is to be derived from funds contributed by the insured employes or members. A policy on which part of the premium is to be derived from funds contributed by the insured employes or members may be placed in force only if at least seventy-five percent of the then eligible employes of any employer unit participating in the trust, excluding any as to whom evidence of individual insurability is not satisfactory to the insurer, elect to make the required contributions. A policy on which no part of the premium is to be derived from funds contributed by the insured employes or members, must insure all eligible employes or members, or all except any as to whom evidence of individual insurability is not satisfactory to the insurer.

(3) The policy must cover at date of issue at least one hundred persons and not less than an average of five persons per employer unit; and if the fund is established by the members of an association of employers the policy may be issued only if: (a) either the participating employers constitute at date of issue at least sixty percent of those employer members whose employes are not already covered for group life insurance, or the total number of persons covered at date of issue exceeds six hundred; and (b) the policy shall not require that, if a participating employer discontinues membership in the association, the insurance of his employes shall cease solely by reason of such discontinuance.

(4) The amounts of insurance under the policy must be based upon some plan precluding individual selection either by the insured persons or by the policyholder, employers or unions. No policy may be issued which provides term insurance on any person which together with any other term insurance under any group life insurance policy or policies issued to the employers, or any of them, or to the trustees

of a fund established in whole or in part by the employers, or any of them, exceeds twenty-five thousand dollars, unless 200 percent of the annual compensation of such person from his employer or employers exceeds twenty-five thousand dollars, in which event all such term insurance shall not exceed fifty thousand dollars or 200 percent of such annual compensation, whichever is the lesser.

Section 22. Section 304.916 of the Kentucky Revised Statutes is amended to read as follows:

(1) A title insurer shall be a stock insurer.

(2) Such an insurer shall have paid-up capital stock in an amount not less than $150,000.00; except that any insurer, which immediately prior to the effective date of this Act held a certificate of authority to transact title insurance in this state and which has been continuously so authorized since such date, shall have paid-up capital stock in amount as follows:

Population of county in which business is to be transacted	Paid-up capital required
Less than 75,000	$ 25,000
75,000 to 100,000	50,000
Over 100,000	150,000

Any such previously authorized insurer may transact business in more than one county by having paid-up capital stock in the largest amount required for any one of such counties.

(3) The insurer shall not be authorized to transact business until it has a guaranty fund as provided by KRS 304.920.

Section 23. Section 304.922 of the Kentucky Revised Statutes is amended to read as follows:

(1) The insurer may invest up to one-third of its minimum required capital, and any of its surplus in such books, maps, abstracts, and other records as are requisite or convenient for transaction of its business as title insurer, and in the maintenance thereof.

(2) The insurer may invest the remainder of its funds, after meeting its guaranty fund requirements, in such investments as are eligible as investments of insurers other than life insurers under KRS 304.400 to 304.454, with the following modifications:

(a) The insurer may loan on security of a real estate mortgage an amount not exceeding seventy-five percent of the value of the property mortgaged. The extent to which a mortgage loan made under paragraph (c) or (d) of subsection (1) of KRS 304.431 is guaranteed or insured by the Federal Housing Administration or guaranteed by the Administrator of Veterans' Affairs may be deducted before application of the limitation contained in this subsection. Unless the insurer's paid-in capital and surplus exceed five hundred thousand dollars, its real estate mortgage investments shall be restricted to mortgages secured by property located in this state.

(b) The limitations contained in KRS 304.403, subsection (2) of KRS 304.431 subsection (2) of KRS 304.437, KRS 304.438, and KRS 304.441 shall not apply as to such investments.

(c) The insurer may invest and have invested at any one time not in excess of twenty percent of its assets, in the following:

1. The stock of any corporation engaged in business as a title insurer or abstract company or a real estate mortgage company, and,

2. Loans to abstract companies, which loans are adequately secured as to principal and interest by chattel mortgages upon the books, maps, files, abstract records and other personal property of the mortgagor.

(d) Investments in securities and loans referred to in paragraph (c) of this subsection in excess of twenty percent of the insurer's assets may be made only with the prior written approval of the Commissioner.

(3) KRS 304.448 shall apply to title insurers.

Section 24. Section 304.937 of the Kentucky Revised Statutes is amended to read as follows:

(1) Except as provided in KRS 304.069 and KRS 304.922, no insurer may retain, invest in, or acquire the whole or any part of the capital stock of any other insurer or insurers, or have a common management with any other insurer or insurers, if such retention, investment, acquisition or common management is inconsistent with any other provision of this code, or if by reason thereof the business of such insurers with the public is conducted in a manner which substantially lessens competition generally in the insurance business or tends to create a monopoly therein.

(2) No person otherwise qualified may be a director of two or more insurers which are competitors if the effect thereof is to substantially lessen competition between insurers generally or tends to create a monopoly.

Committee on Rules reported **HB 151** with the expression of opinion that the same should pass with committee amendment. Read at length for the first time and ordered placed in the Calendar.

HB 151, AN ACT relating to the operation of spray painting equipment.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this chapter unless the context requires otherwise:

(1) "Commissioner" means the Commissioner of Agriculture, Labor and Statistics; and

(2) "Board" means the State Board of Agriculture; and

(3) "Department" means the Department of Agriculture, Labor and Statistics; and

(4) "Owner" means any individual, firm, partnership, corporation, organization, association, or any combination thereof who owns a business for the purpose of applying paint to structures of any nature by means of spray equipment of any kind.

Section 2. Any resident of the Commonwealth of Kentucky engaged in the business of applying paint to any structure by means of spray equipment within the Commonwealth shall, before engaging in such business, register with the department and pay an annual license fee of ten dollars. Non-residents shall register with the department and pay an annual license fee of fifty dollars plus ten dollars for each unit of operation in excess of one before engaging in such business. An additional license shall be required for each such place of business maintained.

Section 3. The board shall have the power to promulgate reasonable rules and regulations concerning the following matters:

(1) Standards of materials used;

(2) Standards of application and workmanship;

(3) Proper safety precautions;

(4) Requirements for contractual responsibilities and fulfillment of agreements;

(5) Proof of financial responsibility;

(6) Furnishing of information necessary for the proper administration of this Act; and

(7) Any other matter necessary for the proper administration of this Act.

Section 4. The duly authorized agents of the department shall have all the power of peace officers in administering the provisions of this Act.

Section 5. Licenses may be suspended or revoked by the commissioner for the following causes:

(a) Making or causing to be made misrepresentations for the purpose of defrauding the public.

(b) Failing to pay any final judgment rendered by reason of liabilities resulting from activities prescribed by this Act.

(c) Refusal to provide the department with reasonable information upon request.

(d) Any other conduct that constitutes improper, fraudulent, or dishonest dealing.

(e) Any violation of this act or any regulation promulgated thereunder.

Section 6. The commissioner shall conduct a public hearing on the question of revocation or suspension of a spray painter's license.

The owner of such license shall be given notice in writing not less than ten days prior to the date of such hearing, by registered and prepaid mail. The owner may appear in person, with counsel at such hearing.

Section 7. If the license is to be revoked or suspended, or if an application for license is refused, the commissioner shall notify the applicant or owner within ten days after such decision is made. The applicant may within fifteen days appeal to the circuit court in the county in which he intends to operate his business. If appeal is taken the decision by the commissioner shall not become final until final adjudication by the circuit court. The commissioner may, however, require the posting of a reasonable bond pending final adjudication.

Section 8. In the event of any change in ownership in a spray painting business, the new owner shall, within thirty days of acquiring ownership, make application for a spray-painting license in conformity with the provisions of this Act. If the application is approved, no further license fee shall be required for the period covered by the license issued to the former owner.

Section 9. This Act shall not apply to any individual working on his own premises or to regular employes working on the property of their employer.

Section 10. All license fees and all other fees collected under this Act shall be paid into the State Treasury to the credit of a revolving fund for the use of the department in carrying out the provisions of this Act.

Section 11. Any person violating any of the provisions of this Act shall be fined not less than one hundred dollars nor more than five hundred dollars, and imprisoned not more than one year, or both. Each violation shall be deemed a separate offense.

Committee on Rules reported **HB 358, SB 109, HB 426, SB 58, HB 127, HB 361** and **HB 413** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 358, AN ACT relating to retirement systems for public employes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A member of the Kentucky Employes' Retirement System who prior to the date he first participated in the system was employed by a county shall be credited with service in the state system on the same basis as if he had been employed by the state prior to July 1, 1956, for the same length of time as the entire length of time for which he was employed by the county. The service with which he is credited shall be treated in the same way and give rise to the same liabilities as service with the state prior to July 1, 1956.

Section 2. A member of the County Employes' Retirement System who prior to the date he first participated in the system was employed by the state shall be credited with service in the county system on the same basis as if he had been employed by the county prior to July 1, 1958, for the same length of time as the entire length of time for which he was employed by the state. The service with which he is credited shall be treated in the same way and give rise to the same liabilities as service with the county prior to July 1, 1958.

SB 109, AN ACT relating to incorporation of municipalities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 81.040 of the Kentucky Revised Statutes is amended to read as follows:

(1) No city may incorporate within three miles of the boundary of any city of the first or second class. Beyond this limit a city may be incorporated by a minimum of twenty-five people.

(2) No area adjacent to any state or federal maintained highway may be incorporated without a minimum of two hundred and fifty (250) people.

(3) The boundaries of any city when incorporated shall not exceed one-half mile in each direction.

HB 426, AN ACT relating to loan and investment companies.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 291.120 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any five or more persons may organize a loan and investment company in cities of the first, second, third, fourth and fifth class upon the terms and conditions and subject to the liabilities prescribed in KRS 291.120 to 291.160.

(2) The name of the company shall not contain the word "bank." It shall not be necessary for any such company to use the word "incorporated" in addition to its corporate name, either in its place of business or on any printed or advertising matter.

(3) The capital stock of any such loan and investment company shall not be less than $25,000 if located in a city of the first, second, third or fourth class or less than $12,500 if located in a city of the fifth class. Fifty percent of the capital stock shall be paid in cash

before the company may transact any business other than that relating to its formation and organization, and the remainder of the capital stock shall be paid in money within one year after the company is authorized to commence business at such times and in such amounts as the directors require.

SB 58, AN ACT relating to liability insurance of school district boards.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Any county or independent school district board with the unanimous consent of each member thereof may expend its school funds to purchase policies of liability insurance to compensate for personal injuries and property damage to others resulting from the negligence of the board or its agents and employes while in the course of their employment.

Section 2. Nothing contained in this Act shall be construed to be a waiver of sovereign immunity, except as to claims against school district boards which will be paid by insurance purchased as provided in Section 1 of this Act.

HB 127, AN ACT relating to group life insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) The lives of a group of members of any duly organized corporation, association or society, of veterans of World War I, World War II or the Korean campaign veterans may be insured under a policy issued to any such corporation, association or society, as the policy holder insuring all of its members who are actively engaged in any occupation for amounts of insurance based upon some plan which will preclude individual selection for the benefits of persons other than the corporation, association or society or its officials.

(2) The premium on the policy shall be paid by the corporation, association or society, and its members jointly.

(3) Not less than seventy-five percent of all eligible members may be insured; provided, that when members apply and pay for additional amounts of insurance, a smaller percentage of eligible members may be insured for additional amounts if they pass satisfactory medical examination.

HB 361, AN ACT relating to vital statistics.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 213.340 of the Kentucky Revised Statutes is amended to read as follows:

Each circuit court clerk shall, within forty-five days after entry of final judgment of divorce, absolute or limited, annulment of marriage, or adoption, furnish to the Division of Vital Statistics such information as may be available from the record to the State Department of health upon forms prescribed and furnished by the department.

HB 413, AN ACT relating to municipal colleges in cities of the second class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 165.160 of the Kentucky Revised Statutes is amended to read as follows:

(1) Cities of the second class may establish or acquire by lawful conveyance municipal colleges for the purpose of promoting public education. A college in a city of the second class shall not constitute a municipal college or receive support as provided in KRS 165.170 to 165.190 unless it is controlled by a board of trustees appointed by the mayor and legislative body of the city, and unless its principal work is the maintenance of courses affording instruction in such arts, sciences and professions and conferring such certificates of attainment as are authorized by other similar institutions of learning above the high school grade.

(2) If the college is supported by a Municipal College Support District, three members of the board of trustees mentioned in subsection (1) shall be appointed by the governing body of the district.

Section 2. Section 165.170 of the Kentucky Revised Statutes is amended to read as follows:

The legislative body of any city of the second class that has a municipal college may, after an election as required by section 184 of the Constitution, annually levy and collect, for the support of the municipal college, a tax of not less than five nor more than fourteen cents on each one hundred dollars' worth of property subject to taxation for city purposes. The levy of such taxes shall be made at the same time and in the same manner as other levies for city purposes. The amount levied shall be placed to the credit of the municipal college fund upon the completion of the assessment of property for taxation, and paid as collected, subject to the discount allowed on other city taxes, by the treasurer of the city to the treasurer or other financial officer of the college, for the purpose of establishing, acquiring and operating the college. The taxes authorized by this section shall be construed to be school taxes and shall be in addition to all other taxes authorized by law to be used for municipal or school purposes.

Section 3. The fiscal court of a county containing a city of the second class in which is located a municipal college, having obtained the authorization of the legislative body of such city for the college to accept tax support from a Municipal College Support District and for appointment of three members of the college board of trustees by the governing body of the district, may establish a Municipal College Support District consisting of the territory in the county outside the limits of the city in which is located the college. The members of the fiscal court shall constitute the governing body of the district. Subject to the provisions of subsection (2), the district may levy a tax of not less than five or more than fourteen cents on each one hundred dollars of the assessed valuation of all property in the district. The funds raised by this tax shall be used solely to support the college.

(2) A certified copy of the order of the fiscal court creating the district shall be filed by the governing body of the district with the county clerk at least forty-five days before a regular election and the clerk shall cause the question whether the tax is to be imposed to be placed upon the ballots to be given to voters residing in the district. The question shall be so phrased as to ask the voter whether he favors the imposition of a tax of not less than five or more than fourteen cents on each one hundred dollars of the assessed valuation of all property in the district for the purpose of supporting the municipal college in the second class city in the county. If a majority of those voting on the question favor the imposition of the tax, the governing body of the district shall levy the tax.

(3) The sheriff shall collect the taxes due the district at the same time and in the same manner in which he collects the state and county ad valorem tax. He shall be allowed a fee not to exceed four percent for collection of this tax. The money collected shall be paid to the college board of trustees.

Section 4. The board of trustees of a municipal college in a city of the second class may acquire, by purchase or gift, lands and improvements for the purpose of expanding the plant and extending the usefulness of the college, and when unable to agree with the owner of land and improvements necessary for the purposes of the college may proceed to condemn the land and improvements. The condemnation proceedings shall be conducted in the manner provided by KRS 416.230 to 416.310.

Calendar

SB 173, HB 389, HB 429, HB 431, HB 434, HB 438, HB 439, HB 441, HB 445, HB 446, HB 457, HB 455, HB 135, HB 370, HB 375, HB 407, SB 137, HB 451, HB 376, HB 334, HB 267, and **HB 456** were taken from the Calendar and ordered read at length for the second time. Representative Ray moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Report on Enrolled Bills

Committee on Enrollment reported that **HB 42, HB 48, HB 50, HB 53, HB 56, HB 117, HB 140, HB 142, HB 180, HB 183, HB 197, HB 199, HB 235, HB 236, HB 237, HB 238, SB 46** and **SB 112** had been examined and found correctly enrolled. **HB 42, HB 48, HB 50, HB 53, HB 56, HB 117, HB 140, HB 142, HB 180, HB 183, HB 197, HB 199, HB 235, HB 236, HB 237, HB 238, SB 46** and **SB 112** read at length, compared, and signed in open session by the Speaker. **SB 46, SB 112** ordered delivered to the Governor.

HB 42, HB 48, HB 50, HB 53, HB 56, HB 117, HB 140, HB 142, HB 180, HB 183, HB 197, HB 199, HB 235, HB 236, HB 237, HB 238 ordered delivered to the Senate.

HB 42, HB 48, HB 50, HB 53, HB 56, HB 117, HB 140, HB 142, HB 180, HB 183, HB 197, HB 199, HB 235, HB 236, HB 237, HB 238, and **SB 112** delivered, signed by President of the Senate. Ordered delivered to the Governor.

Orders of the Day

HB 331 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 82—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Cottengim, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Faulkner, Fern, Fields, Ford, Garner, Hahn, Haley, Hall, Hampton, Hardin, Hays, Henry, Hinkle, Hislope, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, C. H. Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, L. F. Morgan, Murphy, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Peniston, Qualls, Quinn, Ray, Rayburn, Render, Robinson, Slusher, J. D. Smith, Virgil Smith, Spurrier, Stacy, Steiger, Stidham, Summe, Tanner, Treas, G. T. White, J. E. White, Young. Nays 0. **HB 331** was passed and the title agreed to.

SB 91 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 75—Alexander, Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Cottengim, Cowherd, Crecelius, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Fern, Fields, Fitzpatrick, Ford, Garner, Hahn, Haley, Hampton, Hardin, Harris, Hays, Henry, Hinkle, Hislope, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, C. H. Martin, Miles, Miller, Moloney, Moorman, Fred

Morgan, L. F. Morgan, Murphy, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Peniston, Qualls, Quinn, Ray, Rayburn, Render, Robinson, J. D. Smith, Virgil Smith, Stacy, Steiger, Summe, Tanner, Treas, Tucker, Wathen. Nays 0—**SB 91** was passed and the title agreed to.

SB 118 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Ray moved to amend **SB 118** as follows: "Amend printed copy of **SB 118** on page 3, section 2 Sub (4), line 45 by inserting after the word "works", the following: "by contract." Agreed.

On the roll call, the vote was yeas 58—Bates, Baumgardner, Buckman, C. C. Carter, Castle, Caudill, Childress, Chumbler, Cole, Colley, Cook, Cottengim, Crecelius, Davis, Dexter, Dobyns, Edmunds, Ellis, Farmer, Fern, Fields, Fitzpatrick, Hahn, Hall, Hardin, Harris, Henry, Irick, Isler, Lankford, Lovins, Lyon, C. H. Martin, Miles, Miller, Moloney, Fred Morgan, Murphy, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Qualls, Quinn, Ray, Rayburn, Render, Reynolds, Robinson, Slusher, J. D. Smith, Virgil Smith, Spurrier, Steiger, Stidham, Summe. Nays 21—Barton, Brizendine, Burress, Clark, Cowherd, Dean, Faulkner, Ford, Garner, Haley, Hampton, Hays, Moorman, L. F. Morgan, Peniston, Stacy, Tanner, Treas, Wathen, Glen T. White, John E. White. **SB 118** was passed and the title agreed to.

HB 102 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 74—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, Burress, Castle, Childress, Chumbler, Clark, Cole, Colley, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Fields, Fitzpatrick, Ford, Garner, Hahn, Haley, Hall, Hampton, Hardin, Harris, Henry, Hinkle, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, C. H. Martin, Miles, Miller, Moloney, Moorman, L. F. Morgan, Murphy, Nichols, Nolan, Osborn, Peniston, Qualls, Ray, Rayburn, Render, Reynolds, Roberts, Robinson, Slusher, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White, Young. Nays 0. **HB 102** was passed, and the title agreed to.

HB 373 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 78—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, Burress, C. C. Carter, Earl Carter, Childress, Chumbler, Clark, Cole, Colley, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Faulkner, Fields, Fitzpatrick, Ford, Garner, Hahn, Haley, Hall, Hampton, Hardin, Harris, Hays, Henry, Hinkle, Hopkins, Irick, Isler, Lankford, Lovins, C. H. Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, L. F. Morgan, Murphy, Nichols, Nolan, Osborn, Ostertag, Peniston, Qualls, Quinn, Ray, Rayburn, Render, Reynolds, Roberts, Robinson, Slusher, J. D. Smith, Virgil Smith, Spurrier, Steiger, Stidham, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White, Young. Nays 0. **HB 373** was passed, and the title agreed to.

HB 184 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 79—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, Burress, C. C. Carter, Earl Carter, Castle, Childress, Clark, Cole, Colley, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis Fields, Fitzpatrick, Ford, Garner, Hahn, Haley, Hall, Hampton, Hardin, Harris, Hays, Henry, Hinkle, Hislope, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, C. H. Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, L. F. Morgan, Murphy, Nichols, Nolan, Osborn, Ostertag, Osting, Peniston, Qualls, Quinn, Ray, Rayburn, Render, Reynolds, Roberts, Robinson, Slusher, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White, Young. Nays 0. **HB 184** was passed, and the title agreed to.

HB 250 taken from Orders of the Day, on recommendation of the Rules Committee. Representative Ray moved that consideration of said bill be deferred and that it retain its place in Orders of the Day.

HB 309 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Lowman moved to amend **HB 309** as follows: "Amend printed copy of HB 309 on page 1, section 1 (2), lines 11 and 12 by deleting said lines 11 and 12 and inserting in lieu thereof the following: "(2) Emergency construction or reconstruction is made necessary by the fact that a highway has suddenly, by Act of God or accidental act, been rendered unusable and the urgency of need for construction or reconstruction is apparent." Agreed.

Representative Caudill moved to lay **HB 309** on Clerk's desk.

On the roll call, the vote was yeas 2 – C. H. Martin, Osting. Nays—64 Bates, Baumgardner, Brizendine, Castle, Childress, Chumbler, Clark, Cole, Colley, Cottengim, Crecelius, Denham, Dexter, Dobyns, Edmunds, Ellis, Farmer, Faulkner, Fern, Fields, Fitzpatrick, Ford, Garner, Hahn, Haley, Hampton, Hinkle, Hislope, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Miles, Miller, Moorman, Luther F. Morgan, Murphy, Nichols, Nolan, Ostertag, Peniston, Qualls, Quinn, Ray, Rayburn, Render, Reynolds, Roberts, Slusher, J. D. Smith, Virgil Smith, Spurrier, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, Glen T. White, John E. White, and Wood. The motion to lay **HB 309** on the Clerk's desk was rejected.

On the roll call, the vote was yeas 75—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cottengim, Crecelius, Davis, Denham, Dexter, Dobyns, Edmunds, Ellis, Farmer, Faulkner, Fern, Fields, Fitzpatrick, Ford, Garner, Hahn, Haley, Hampton, Hardin, Hays, Hinkle, Hislope, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, C. H. Martin, Miles, Miller, Moorman, L. F. Morgan, Murphy, Nichols, Nolan, Osborn, Ostertag, Peniston, Qualls, Quinn, Ray, Rayburn, Render, Reynolds, Roberts, Robinson, Slusher, J. D. Smith, Virgil Smith, Spurrier, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White, Young. Nays 0. **HB 309** was passed and the title agreed to.

HB 383 taken from the Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Ray moved to amend **HB 383** as follows: "Amend printed copy of HB 383 on page 3, section 1 by adding the following after line 31: "(5) The Commission shall cause to be made such audits of the State Board of Education and of independent and county school districts as it shall deem necessary in order to properly inform itself as to whether funds are used efficiently and in accordance with law. The Commission shall evaluate and publish such audits when ever it considers such evaluation and publication to be in the public interest." Agreed.

On the roll call, the vote was yeas 79—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Paul Cornett, Cottengim, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Edmunds, Ellis, Farmer, Faulkner, Fern, Fields, Fitzpatrick, Ford, Garner, Hahn, Haley, Hall, Hardin, Harris, Hays, Henry, Hinkle, Hislope, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, C. H. Martin, Miles, Miller, Fred Morgan, L. F. Morgan, Murphy, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Peniston, Qualls, Quinn, Ray, Rayburn, Render, Roberts, Robinson, Slusher, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White. Nays 0. **HB 383** was passed and the title agreed to.

Introduction of Bills and Resolutions

HB 475, by Representative Isler: AN ACT relating to sanitation districts.

HB 476, by Representatives Moloney and Osborn: AN ACT amending Section 64.350 of the Kentucky Revised Statutes.

HB 477, by Representative Colley: AN ACT relating to bonds of justices.

HB 478, by Representatives Osborn and Moloney: AN ACT relating to the construction, operation and maintenance of sanitary sewer systems and water districts.

HB 479, by Representative Buckman: AN ACT relating to taxes on U-Drive-It vehicles used in the transportation of property.

HB 480, by Representative Roberts: AN ACT relating to motor vehicle license plates.

HB 481, by Representatives Cook and Cottengim: AN ACT relating to public improvements in cities.

HB 482, by Representative Moloney: AN ACT relating to group life insurance.

HB 483, by Representatives Quinn, Steiger, Baumgardner, Farmer, Childress, Crecelius, Miller and Osting: AN ACT relating to taxation in counties having a population of 300,000 or more.

HB 484, by Representatives Cole and Irick: AN ACT relating to higher education.

HB 485, by Representatives Farmer, Clark, Virgil Smith, Hopkins, Bates, Ostertag, Reynolds and Luther F. Morgan: AN ACT relating to the official residences of the Governor and the Lieutenant Governor.

HR 98, by Representative Robinson: A CONCURRENT RESOLUTION relating to the printing of bills introduced in the General Assembly.

Representative Ray moved to adjourn until 6:00 p.m., Monday, March 7. Agreed.

FIFTIETH LEGISLATIVE DAY

MONDAY, MARCH 7, 1960

The House was called to order by the Speaker.

Invocation by the Reverend Herbert Ward Jackson of the Church of the Ascension of Frankfort.

The roll was called. All present except Representatives Barton, Earl Carter, Edmunds, Parrish, Ray, Summe, Tanner and Treas, who were granted leave of absence on motion of Representative Lyon.

Reading of Journal for March 4, 1960, dispensed with and the same approved on motion of Representative Isler.

Motions, Petitions and Communications

Representatives Irick and Robinson requested that their names be withdrawn as co-sponsors of **HB 401.**

Calendar

SB 184, SB 182, SB 198, HB 151, HB 358, SB 109, HB 426, SB 58, HB 127, HB 361, HB 413 were taken from the Calendar and ordered read at length for the second time. Representative Ray moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Representative Ray moved that the rules be suspended to make a motion. Agreed. Representative Ray moved to adopt committee substitute for **HB 184.** Agreed.

On the roll call, the vote was yeas 73—Alexander, Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Earl Carter, Castle, Childress, Chumbler, Clark, Cole, Colley, Cook, Cornett, Cowherd, Crecelius, Dean, Denham, Dexter, Dobyns, Dowell, Ellis, Farmer, Fields, Garner, Griffin, Hahn, Haley, Hampton, Hardwick, Harris, Hays, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Lankford, Lyon, Ben Martin, C. H. Martin, Miles, Moorman, Fred Morgan, L. F. Morgan, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Peniston, Qualls, Quinn, Rayburn, Reynolds, Roberts, Robinson, Slusher, A. C. Smith, Virgil Smith, Stacy, Steiger, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 0. **HB 184** was passed and title agreed to.

Introduction of Bills and Resolutions

HB 486, by Representative Ellis: AN ACT relating to State Employee Retirement System.

HB 487, by Representative Denham: AN ACT relating to adoption records and birth certificates.

HB 488, by Representative Isler: AN ACT relating to compensation of justices of the peace.

HB 489, by Representative Henry: AN ACT relating to exhaust pipes of busses.

HB 490, by Representatives Roberts and Albert C. Smith: AN ACT relating to the taxation of non-profit cemetery companies.

HB 491, by Representative Lyon: AN ACT relating to jury commissioners.

HB 492, by Representative Ray: AN ACT to provide measures for highway safety through the control of highway signs and markings, length of house trailers, speed limits and flashing lights in the vicinity of highways.

HB 493, by Representative Ray: AN ACT relating to employees of the Highway Department.

HB 494, by Representative Ray: AN ACT relating to Highway Rights of Way, including the control and eradication of Johnson grass and other noxious weeds thereon.

HB 495, by Representative Ray: AN ACT relating to thoroughbred horse racing and race meetings.

HB 496, by Representatives Dobyns, Qualls and Stacy: AN ACT relating to circuit court districts.

HB 497, by Representative Ray: AN ACT relating to motor vehicles.

HB 498, by Representative Ray: AN ACT relating to issuance of general obligation bonds of the Commonwealth for state parks and for highways, bridges and tunnels.

Report of Committees

Committee on Rules reported **HB 163**, with the expression of opinion that the same should pass with committee amendment. Read at length for the first time and ordered placed in the Calendar.

HB 163, AN ACT to promote better understanding between the races, discourage discrimination, and to establish a commission on Human Rights, designating the members thereof, defining its duties and powers, and making an appropriation thereto.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, discrimination shall mean any unfair treatment based on race or national ancestry.

Section 2. There is hereby created a commission on Human Rights. The commission shall consist of eleven members, one to be appointed from each Congressional district and three from the state at large. The Governor shall appoint all members, and shall name one member as chairman. Of the eleven members first appointed, three shall serve for one year, four for two years and four for three years. Thereafter all members of the commission shall be appointed for three years. In the event of the death or resignation of a member, his successor, shall be appointed to serve the unexpired term for which such member had been appointed.

Section 3. The function of the commission shall be to encourage fair treatment for, to foster mutual understanding and respect among and to discourage discrimination against any racial or ethnic group or its members.

Section 4. The powers and duties of the Commission shall be:

(1) To employ an executive director and other necessary personnel within the limits of funds made available.

(2) To conduct research projects or make studies into and public reports on discrimination in Kentucky.

(3) To receive and investigate complaints of discrimination and to recommend ways of eliminating any injustices occasioned thereby.

(4) To hold public hearings and request the attendance of witnesses.

(5) To cooperate with other organizations, public and private, to discourage discrimination.

(6) To encourage fair treatment for all persons regardless of race or national ancestry.

(7) To make an annual report to the Governor and the General Assembly of its activities under this Act.

Section 5. To carry out the purposes of this Act, there is appropriated to the commission out of the General Expenditure Fund in the State Treasury the sum of twenty-five thousand dollars for the 1960-61 fiscal year, and twenty-five thousand dollars for the 1961-62 fiscal year.

Committee on Rules reported **HR 95, HB 177, HB 335, HB 342, HB 366, HB 466, HB 469, HB 470, HB 471, HR 45, SB 135, HB 442, HB 450, HB 357, HB 481, SB 119, HB 464, HB 467, HB 105, HB 280, HB 476, HR 32**, and **HB 351** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HR 95, A JOINT RESOLUTION directing the Legislative Research Commission to study the possible uses of television in the educational system of the Commonwealth.

WHEREAS, the education of the citizens of this Commonwealth is one of the largest problems before the General Assembly; and

WHEREAS, the use of educational television hold promise of solving a portion of the educational problems of Kentucky;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Legislative Research Commission be, and it hereby is, authorized and directed to conduct a full study of the use of educational television in the Commonwealth.

Section 2. That the Department of Education, the University of Kentucky and such other state agencies as the Legislative Research Commission may designate are directed to cooperate to the fullest extent with the Legislative Research Commission.

Section 3. That the Legislative Research Commission, in conducting said study, is authorized to utilize the advice and assistance of the Joint Council on Educational Television, the Louisville Board of Education, the Jefferson County Board of Education, the Louisville Free Public Library, the Federal Communications Commission, the Fund for the Advancement of Education, the Ford Foundation, the National Association of Educational Broadcasters, and any other organization or agency with an appropriate interest or concern.

Section 4. That the findings and recommendations resulting from the study be made the subject of a report to be presented to the 1962 Regular Session of the General Assembly.

HB 177, AN ACT relating to manner of voting by the blind.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Where the voter is known to the election officers to be blind, or shall so declare under oath, then such blind voter may be accompanied into the voting booth by another person of his choice, who shall assist in the casting of his ballot.

Section 2. Section 118.300 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any voter who declares, on oath, that by reason of inability to read English he is unable to mark his ballot, may declare his choice of candidates or party ticket to the clerk, who, in the presence of the judges, sheriff, challengers and the voter, shall mark a pencil dot in the appropriate place for the cross, to indicate the choice of the voter. The clerk shall then fold and deliver the ballot to the voter and instruct him to retire to the booth and there mark his ballot by making a cross mark either in the squares showing dots or any other squares he may desire. In all other respects he shall vote as is re-

quired of other voters. In case any person is so physically disabled as to be unable to mark his ballot, and so declares on oath, the clerk may mark his ballot.

(2) No clerk shall willfully deceive any voter in marking any ballot, or willfully mark the same in any other way than as requested by the voter.

Section 3. Section 125.140 of the Kentucky Revised Statutes is amended to read as follows:

(1) The voter shall be instructed by the officers of election, with the aid of the instruction cards and the mechanical model, in the use of the machine.

(2) No voter shall be permitted to receive any assistance in voting unless he makes and signs an oath, that, by reason of inability to read English, or by reason of other physical disability he is unable to vote without assistance. Upon making and filing with the judges such oath, the voter shall retire to the voting machine, with the judges, and one of the judges shall then, in the presence of the other and the voter, operate the machine as the voter directs. No voter shall be assisted under this subsection unless the judges and the sheriff of election are satisfied of the truth of the facts stated in the oath. The voter shall state in his oath the specific physical disability that requires him to receive assistance, and the judges of election shall enter in writing, on a record of assisted voters, the voter's name and the specific physical disability which required him to receive assistance.

(3) No voter shall be permitted to occupy the voting machine more than two minutes if other voters are waiting to use it.

(4) In primary elections, before a voter is permitted to use the voting machine, a judge of the election shall adjust the machine so that the voter will only be able to vote for the persons who are seeking nomination as candidates of the party with which the voter is affiliated.

(5) If the machine is so constructed as to require adjustment after one person has voted before another person may vote, the judges of the election shall so adjust it after each person has voted.

(6) The election officers shall constantly maintain a watch in order to prevent any person from voting more than once.

HB 335, AN ACT relating to salvage yards.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. No person shall operate a salvage yard or junk yard adjacent to a public highway without raising between the yard and the highway a fence, wall, or hedge of height and density sufficient to conceal the yard from the view of highway travellers.

Section 2. Any person who violates this Act shall be fined not less than fifty or more than two hundred dollars.

HB 342, AN ACT relating to motor vehicles, motor transportation and the revenue and taxation thereof.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 281 of the Kentucky Revised Statutes is hereby created to read as follows:

All certificates authorizing the transportation of persons over regular routes shall be so construed as to authorize the transportation in the same vehicle of baggage, light express, newspapers and mail.

Section 2. A new section of Chapter 281 of the Kentucky Revised Statutes is hereby enacted to provide as follows:

As used in this chapter, unless the context requires otherwise:

(1) The term "automobile utility trailer" shall mean any trailer or semi-trailer designed for use with and towed behind a passenger automobile.

(2) The term "automobile utility trailer lessor" shall mean any person who is engaged in the business of leasing or renting automobile utility trailers, but shall not include the agents of such person.

(3) The term "utility trailer permit" means a permit authorizing a person to engage in the business of automobile utility trailer lessor, and such permit shall be subject to the same fees, renewal requirements and suspension and revocation powers as are imposed in respect to other permits issued pursuant to the provisions of this chapter.

Section 3. A new section of Chapter 281 of the Kentucky Revised Statutes is hereby enacted to provide as follows:

(1) No person shall act as an automobile utility trailer lessor without first obtaining a permit from the Department.

(2) A permit authorizing a person to act as an automobile utility trailer lessor shall also authorize the agents of such a person to act on his behalf during the period of their agency.

(3) Permits authorizing a person to act as an automobile utility trailer lessor may be issued by the Department without a hearing. In the event a hearing be held by the Department upon an application for a permit authorizing a person to act as an automobile utility trailer lessor, the question for determination shall be the fitness, willingness and ability of the applicant, and whether the operation proposed is bona fide.

(4) Before a permit authorizing a person to act as an automobile utility trailer lessor is issued by the Department, the applicant therefor must comply with the provisions of KRS 281.655.

Section 4. For the purpose of the interstate and intrastate reciprocal provisions of Chapter 186 and 281 of the Kentucky Revised Statutes, automobile utility trailers shall be classified the same as private passenger automobiles and extended the same privileges, provided, however, that every automobile utility trailer lessor shall register with the Department, license and pay all applicable taxes on a number of such trailers equal to the average number of automobile utility trailers he operated during the previous licensing year in and through the Commonwealth of Kentucky. Thereafter, all such trailers properly identified and licensed in any state, territory, province, country, or the District of Columbia, and belonging to such person, shall be permitted to operate in this state in both interstate and intrastate commerce. The burden of submitting verifiable data as to the average number of automobile utility trailers operating in and through the Commonwealth of Kentucky shall be on the automobile utility trailer lessor.

Section 5. A new section of Chapter 281 of the Kentucky Revised Statutes is hereby enacted to provide as follows:

As a condition precendent to the use of the highways, every automobile utility trailer lessor shall pay an annual tax to the Department on or before January 1 of each year in the amount of $5.00 for each automobile utility trailer required to be licensed in this state pursuant to the provisions of Section 4 of this act, and such tax shall be in lieu of any other tax imposed by Chapter 186 and 281 of the Kentucky Revised Statutes.

Section 6. Section 281.630 of the Kentucky Revised Statutes is hereby amended to read as follows:

(1) A certificate shall be issued to any qualified applicant therefor, authorizing the whole or any part of the operation covered by the application, if it is found that the applicant is fit, willing and able properly to perform the service proposed and to conform to the provisions of this chapter and the requirements and the rules and regulations of the department thereunder, and further that the existing transportation service is inadequate, and that the proposed service, to the extent to be authorized by the certificate, is or will be required by the present or future public convenience and necessity, and that the proposed operation to the extent authorized by the certificate, will be consistent with the public interest and the transportation policy declared in this chapter; otherwise such application shall be denied, provided, however, that nothing herein shall be construed so as to require the department to give, to any existing carrier authorized to render service to, from or between any point on the route proposed to be served by the applicant, any notice regarding the quality or quantity of its service to, from or between such points or to require the department to give to such existing carrier any opportunity to

improve its existing service or to render the service found to be needed before the issuance of a certificate to the applicant.

(2) In granting a certificate, the order, among other things, shall specify the route or routes of service and territory to be served, provided that where the certificate to be granted specifies a route or routes or portion of a route or routes common to a certificate or certificates authorizing the same type of operation held by the applicant, all such certificates shall constitute but a single operating authority over that portion of the route or routes common to the certificates. The order granting a certificate shall not limit the number of vehicles to be operated by the motor carrier except that, in the granting of a certificate for the operation of taxicabs, the order shall specify the maximum number of taxicabs to be operated thereunder.

(3) A carrier shall be entitled to have issued to it by the department as many certificates, and of such types, as will cover its entire authorized operation.

(4) A permit shall be granted to any qualified applicant therefor authorizing in whole or in part the operations covered by the application, if it appears from the application and the hearing held thereon that the applicant is fit, willing and able properly to perform the service of a contract carrier by motor vehicle and to conform to the provisions of this chapter and the lawful requirements, rules and regulations of the department thereunder, and that the proposed operation to the extent authorized by the permit will be consistent with the public interest and the transportation policy declared in this chapter, and that it will not unreasonably impair the efficient public service of any authorized common carrier then adequately serving the same territory, and if it further appears that the existing transportation service is inadequate, and that it appears that the proposed service is needed; otherwise such application shall be denied. The department shall specify in the permit the business of the contract carrier covered thereby and the scope thereof, and shall attach to it at the time of issuance, and from time to time thereafter, such reasonably terms, conditions and limtations consistent with the character of the holder as a contract carrier as are necessary to carry out, with respect to the operations of such carrier, the requirements established by the department.

(5) Amendment or change of route or abandonment of a certificate or permit shall be granted upon the same basis that an original certificate or permit is granted.

(6) Any certificate or permit may be sold, assigned, leased or transferred, after a hearing and notice to interested parties as provided for in KRS 281.625, provided the transferee is fit, willing and able to render the proposed service, unless it would be against the public interest, and provided further that the commissioner may approve the sale and transfer of a certificate or permit without a hearing if, after due notice of the proposed sale or transfer is given to all interested

parties in accordance with the rules and regulations of the department, no protest is filed to the proposed sale or transfer and the commissioner believes that it will be in the public interest.

(7) For the purpose of this section, a transfer of the controlling stock of a corporation owning a certificate or permit may be considered a transfer of said certificate or permit.

(8) Upon the consummation of a merger or consolidation of motor carriers as effected under the provisions of KRS Chapter 271, the surviving or new corporation, as the case may be, shall own and possess all of the certificates, permits, authorizations, licenses, rights, privileges, franchises and properties owned or possessed by each of such motor carriers; and if such merger or consolidation is set aside, the certificates, permits, authorizations, licenses, rights, privileges, franchises and properties acquired by the surviving or new corporation through the merger or consolidation shall become revested in the corporation from which acquired, unless disposed of, subject to such indebtedness and liens as may be equitable, and all other properties of the surviving or new corporation shall become vested in the constitutent corporation in such manner as may be fair and equitable.

(9) (a) Notwithstanding the provisions of subsection (3) of this section, where a motor carrier has been granted two or more certificates or permits authorizing the same type of operation over a route or routes or a portion of a route or routes common to two or more of the certificates or permits, the carrier shall be deemed to possess only one operating authority over that portion of the routes common to the certificates or permits.

(b) The department is authorized to recall any certificates and to reissue one or more certificates covering the exact authority.

Section 7. Section 281.655 of the Kentucky Revised Statutes is hereby amended to read as follows:

(1) Before any certificate or permit will be issued or renewed, the applicant or holder of the certificate or permit must file or have on file with the department an approved indemnifying bond or insurance policy issued by some surety company or insurance carrier authorized to transact business within the Commonwealth of Kentucky. The term of the bond or policy shall be continuous and shall remain in full force until cancelled under proper notice. The bond or policy shall have attached thereto the state insurance endorsement. All bonds or policies required herein must be issued in the name of the holder of the certificate or permit; provided, however, and except as otherwise provided herein, such bond or insurance policy in the case of a U-Drive-It or automobile utility trailer lessor shall meet the requirements provided for in KRS 187.490. In lieu of the bond or policy, the department, under appropriate rules and regulations, may require the filing of an approved certificate of insurance, the term of which shall be con-

tinuous and shall remain in force and effect until cancelled under proper notice.

(2) All bonds or policies shall provide blanket coverage for all equipment operated pursuant to the certificate or permit.

(3) Effective January 1, 1957, the types and minimum amounts of insurance to be carried on each vehicle are as follows:

MOTOR VEHICLES FOR THE TRANSPORTATION OF PERSONS, INCLUDING U-DRIVE-ITS

Capacity	Death or Injury to any one person	Total Liability For Death or Injury to Persons	Property Damage
7 persons or less	$10,000.00	$20,000.00	$5,000.00
8 to 16 inclusive	10,000.00	30,000.00	5,000.00
17 to 25 inclusive	10,000.00	40,000.00	5,000.00
26 or more	10,000.00	50,000.00	5,000.00

MOTOR VEHICLES FOR THE TRANSPORTATION OF PROPERTY, INCLUDING U-DRIVE-ITS AND AUTOMOBILE UTILITY TRAILERS

Gross Weight	Death of or Injury to any one person	Total Liability for Death of or Injury to Persons	Property Damage
18,000 lbs. or less	$10,000.00	$20,000.00	$5,000.00
More than 18,000 lbs.	10,000.00	30,000.00	5,000.00

(4) Any carrier or motor carrier using any vehicle for the transportation of inflammables, explosives, or petroleum or petroleum products in bulk shall have the following types and minimum amount of insurance carried on each such vehicle:

Death of or Injury to Any One Person	Total Liability for Death of or Injury to Persons	Property Damage
$10,000.00	$30,000.00	$25,000.00

(5) Before any Kentucky intrastate certificate, exclusively authorizing the transportation of property, except an irregular route common carrier certificate exclusively authorizing the transportation of Kentucky exempted commodities, shall be issued or renewed, the applicant or holder of the certificate must file or have on file with the department an approved insurance policy or bond compensating shippers or consignees for loss or damage to property belonging to shippers or consignees and coming into possession of the carrier in connection with its transportation service, (a) for loss of or damage to property carried on any one motor vehicle in the amount of one thousand dollars; (b) for loss of or damage to or aggregate of losses

or damages of or to property occurring at any one time and place in the amount of two thousand dollars. Said policy or bond shall have attached thereto the Kentucky cargo policy endorsement and must be issued by some insurance or surety company authorized to transact business within the Commonwealth of Kentucky. The term of the bond or policy shall be continuous and shall remain in full force until cancelled under proper notice. In lieu of the bond or policy, the department, under appropriate rules and regulation may require the filing of an approved certificate of insurance, the term of which shall be continuous and shall remain in force and effect until cancelled under proper notice.

(6) The department may by regulation require motor carriers for hire operating exclusively in interestate commerce to file proof of cargo insurance coverage in such form and in such amounts as the commissioner deems advisable.

(7) No insurance company or insurance carrier issuing any policy filed with the department, and no surety or obligor on any bond or contract filed with the department, shall be relieved from liability under the policy, bond or contract until after the expiration of fifteen days' notice to the department of an intention to cancel the policy, bond or contract, provided, however, that a prior cancellation may be allowed in cases where one policy, bond or contract is substituted for another policy, bond or contract where such substituted policy, bond or contract is of force and effect at a point in time prior to the expiration of fifteen days' notice to the department of an intention to cancel the policy, bond or contract for which such additional policy, bond or contract is being substituted. The acceptance of any notice of an intention to cancel any policy, bond or contract or the cancellation of any policy, bond or contract by the department, unless under the circumstances hereinbefore set forth, shall not relieve the insurance company, insurance carrier, surety or obligor of any liability that accrued prior to the effective date of the cancellation.

(8) Upon the cancellation of any bond or insurance policy required by this section, all operating rights granted by the certificate or permit for which said bond or policy was filed, shall immediately cease, and the department is empowered to immediately require the cessation of all operations conducted under authority of said certificate or permit, and to require the surrender of all certificates, permits, licenses and other evidence of a right to act as a motor carrier.

(9) The department may exempt in whole or in part from the requirements of this section any person who applies for such exemption and shows to the satisfaction of the department that, by reason of the financial ability of the person applying, there is due assurance of the payment of all damages for which he may become liable as a result of the operation of any vehicle owned by him or operated under authority of his certificate or permit.

Section 8. Section 281.815 of the Kentucky Revised Statutes is hereby amended to read as follows:

(1) On or before January 1 of each year, and as a condition precedent to the use of the highways, every motor carrier primarily engaged in transporting passengers for hire shall pay to the department for the privilege of using the highways an annual tax upon each motor vehicle so used, as follows: Four dollars and fifty cents for each regular seat for the first thirty-one seats, and eight dollars for all seats in excess of thirty-one; except as provided in subsection (2) of this section and except that taxicabs, city buses, industrial buses, suburban buses, and U-Drive-Its, shall pay the fees set forth in subsection (4) of this section.

(2) (a) Any such motor carrier engaged in regular route interstate commerce or combined interstate and intrastate commerce and operating two or more vehicles in Kentucky shall be required to pay only that portion of a tax imposed by subsection (1) as the number of miles operated by such fleet of motor vehicles in Kentucky bears to the total miles operated by such fleet in any license year, or portion thereof.

(b) Any such motor carrier shall prior to January 1 of each license year, and as a prerequisite to operating on the highways of this State, obtain a permit from the department and at that time shall pay its estimated tax hereunder, as determined by the department's applicable regulations, and execute bond for any additional tax which might be due, with or without surety thereon, as the department in its discretion and according to its regulations might require.

(c) The department is authorized and directed to promulgate such rules and regulations as may be necessary to effectuate the apportionment of taxes prescribed in paragraph (2) of this subsection. Such regulations shall provide that the estimate of such taxes for any license year shall be that proportion that would have been due in the prior license year and shall further provide for a license year-end accounting with a system of credit or deficiency assessment in any amount by which the estimate differs from the tax due hereunder.

(3) Every motor carrier primarily engaged in transporting passengers for hire shall pay to the department for the privilege of using the highways, including deadhead mileage, mileage tax as follows: Buses with one to twenty regular seats, inclusive, none; buses with twenty-one to twenty-nine regular seats, inclusive, one-fourth of a cent per mile; buses with thirty to thirty-four regular seats, inclusive, one-half of a cent per mile; buses with thirty-five to thirty-nine regular seats, inclusive, three-fourths of a cent per mile; buses with forty regular seats or more, one cent per mile, except that taxicabs, city buses, industrial buses, suburban buses and U-Drive-Its shall pay the fees set forth in subsection (4) of this section.

(4) Taxicabs, city, suburban and industrial buses, and U-Drive-Its, shall pay the following annual license fees:

Each taxicab	$3.00 per seat
Each city bus	$5.00 per vehicle
Each industrial bus	$2.50 per seat
Each suburban bus	$5.00 per vehicle
Each U.-Drive-It passenger car	$2.50 per seat

(5) All cities of the Commonwealth are hereby authorized to impose an annual license tax on all taxicabs certificated by the department for operation in said city, which license tax shall not exceed thirty dollars per taxicab.

(6) Subsections (2) and (4) of this section shall become effective as of January 1, 1961.

Section 9. Section 281.830 of the Kentucky Revised Statutes is hereby amended to read as follows:

(1) Except as otherwise provided in KRS 138.470, 186.020 and 186.050 and in subsection (2) of this section, the fees and taxes prescribed by this chapter shall be in addition to the fees and taxes prescribed by any other law of this state.

(2) No city may impose a license fee or tax upon any motor vehicle operated under a certificate or permit, except that a city may impose a license fee or tax upon a taxicab as set out in subsection (4) of KRS 281.815.

Section 10. Section 281.990 of the Kentucky Revised Statutes is hereby amended to read as follows:

(1) Any person who violates, or causes, aids or abets any violation of, any of the provisions of this chapter or any order, rule or regulation lawfully issued pursuant to authority granted by this chapter, or who knowingly makes any false or erroneous statement, report or representation to the Department of Motor Transportation with respect to any matter placed under the jurisdiction of the department by this chapter, or who knowingly makes any false entry in the accounts or records required to be kept pursuant to the authority granted by this chapter, or who knowingly fails to keep, or knowingly destroys or mutilates, any such accounts or records, shall be fined not less than fifteen dollars nor more than two hundred dollars, or imprisoned for not more than thirty days, or both. Every device to evade or to prevent the application of any provision of this chapter, or any lawful order, rule or regulation of the department issued pursuant thereto, shall constitute a violation thereof.

(2) Any person who violates Section 281.615 of the Kentucky Revised Statutes shall be fined not less than fifty dollars nor more than two hundred dollars, or imprisoned for not more than thirty days or both.

(3) In addition to the penalties prescribed in subsection (1) of this section, in case of violation by any person in whose name an industrial bus is licensed, such person shall forfeit all certificates and permits held

by him, and shall not be eligible to hold any certificate or permit for a period of five years thereafter.

Section 11. Section 281.752 of the Kentucky Revised Statutes is hereby amended to read as follows:

The department may, by regulation, prescribe and charge a fee, not to exceed one dollar in each instance, for the issuance of such identifying plates, decals, cards, signs or papers, for the identification of motor vehicles operated by carriers or motor carriers under the jurisdiction of the department, which vehicles have been qualified for, and have been granted reciprocal privileges in Kentucky in regard to motor vehicle registration fees and highway use taxes. The Commissioner may by reciprocal agreement with the proper officials of other jurisdictions waive such fees applicable to residents of such other jurisdictions which afford like privileges to residents of Kentucky.

Section 12. Section 281.825 of the Kentucky Revised Statutes is hereby amended to read as follows:

(1) The mileage tax imposed by KRS 281.815 shall be paid monthly. To insure payment of the mileage tax, no certificate or permit or renewal thereof authorizing the transportation of persons for hire shall be issued until there has been filed with the department a bond in an amount estimated by the department to be three times the amount due for one month, or, in lieu thereof, cash of an equivalent amount.

(2) (a) If any person required to pay a weight tax or seat tax under KRS 281.810, 281.813, 281.815, 281.816 or 281.818 begins the operation of any motor vehicle covered by those sections after January 1 in any year the license fee shall be as many twelfths of the annual fee as there are unexpired months in the calendar year. Provided, however, that nothing in this section shall apply to any motor vehicle licensed by its current owner under the provisions of either KRS Chapter 186 or KRS Chapter 281 during the immediately preceding calendar year.

(b) The department shall have the power to promulgate regulations to insure that the total license fees paid for any vehicle for any calendar year shall not be more than the total annual fee for such vehicle.

(3) When any motor vehicle that has been licensed by the department is destroyed by fire, sold or transferred to any person, or is not to be used further on the highways of this state for hire by the person to whom it was licensed, such person may surrender the tag or certificate of such motor vehicle issued by the department and upon satisfactory proof to the department that the motor vehicle will not be further used on the highways of this state during the current license period in a for-hire operation by such person, the department shall give credit to such person for the amount of the unearned portion of the tax paid, upon another motor vehicle belonging to such person

which is to be put into service in that year. No cash refunds shall be made in any event and no credit shall be given in excess of the fractional year's tax on the new motor vehicle for that year.

Section 13. A new section of Chapter 281 of the Kentucky Revised Statutes is hereby created to read as follows:

(1) Upon the death of a certificate or permit holder, the properly qualified administrator or executor of the estate of the deceased certificate or permit holder may hold, control and transfer any certificate held by the decedent upon application and approval by the department, and further provided that should the administrator or executor find it necessary to hold the certificate or permit in excess of six months, he must first obtain written approval of the Commissioner of the department. Should the executor or administrator seek to transfer the certificate or permit to an heir or heirs of the deceased certificate or permit holder, such transfer shall be accomplished by application regularly filed, except that the Commissioner may waive any notice requirements otherwise applicable.

(2) Any individual or partnership holding a certificate or permit and desiring to operate as a corporation and having applied for and received their charter as a corporation shall file an application with the department seeking to transfer the certificate or certificates from one business organization to the other and in which event the Commissioner may waive any notice requirements otherwise applicable and assign the same for hearing as in other cases required by statute or rules and regulations.

Section 14. Section 281.826 and Section 424.320 of the Kentucky Revised Statutes are repealed.

HB 336, AN ACT relating to roads and highways.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 179.420 of the Kentucky Revised Statutes is amended to read as follows:

(1) The funds apportioned the several counties under the provision of KRS 179.410 shall be expended for the construction and maintenance of county roads under the supervision of the Department of Highways.

(2) Each year the Department of Highways, by agreement with the fiscal court of the county, shall plan the road construction, repair or maintenance to be done during the year with the funds herein apportioned, taking into consideration the mileage of county roads in the county, the condition and needs of such roads, giving priority to the maintenance of county roads and bridges heretofore constructed.

(3) If for any reason the Department of Highways and the fiscal court of any county are unable to reach agreement upon a plan for the

repair, maintenance, construction or reconstruction of the roads of the county for any year, the Department of Highways is empowered to use such of the funds allotted for the county roads and bridges of such county as may be required for the maintenance of such roads and bridges, which amount shall not exceed 25% of the allotment to the county for the fiscal year, and such maintenance costs shall be charged to the allotment of the particular county affected.

(4) If thirty days after the beginning of the fiscal year of the Department of Highways in which the funds were apportioned, the Department and the fiscal court of any county have failed to agree on a plan, the funds so apportioned to such county, less the funds, if any, expended or obligated for the maintenance of theretofore constructed county roads and bridges shall be expended by the Department of Highways for the construction or reconstruction of the county roads and bridges according to the priority schedule designated by the fiscal court, but the amount of money to be expended on each of the roads or bridges so designated and the type of roads or bridges and the material used shall be in accordance with the specifications of the Department of Highways.

(5) Any funds apportioned to any county, less the funds, if any, expended or obigated for the construction, reconstruction or maintenance of county roads or bridges in any county shall be held for the use and benefit of said county, and shall not be deducted from the apportionment to that county in any subsequent year, and shall not be expended in any other county or used for any other purpose.

(6) Notwithstanding any other provision of law, the Department of Highways may enter into agreements with the fiscal court of any county respecting the use of county-owned equipment or materials, and the use of county employees, and the use of equipment owned by the department, personnel of the department, or materials of the department, in accomplishing the construction, reconstruction, maintenance and repair of county roads and bridges from the funds apportioned to such county under the provisions of KRS 179.410.

Section 2. Section 179.430 of the Kentucky Revised Statutes is amended to read as follows:

(1) All the funds apportioned under provisions of KRS 179.410 shall remain under the control of the Department of Highways and be expended under the direction of the Department of Highways.

(2) In order to provide for the simplification of the administration, and facilitate the uniform operation of KRS 179.410 to KRS 179.440, the Department of Highways may prescribe such reasonable rules and regulations, not inconsistent with law, as it deems necessary and proper to carry out the provisions of those sections.

HB 466, AN ACT relating to Kentucky statutes.

WHEREAS, technical amendments are necessary to prevent literal inconsistencies between the Kentucky Revised Statutes and the Uniform Commercial Code.

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 251.190 of the Kentucky Revised Statutes is amended to read as follows:

(1) The sealer shall deliver to the warehouseman one or more warehouse receipts as provided in this chapter, but the aggregate amount of the grain represented by the warehouse receipts shall in no event exceed the amount of grain stored and sealed by the sealer. Each warehouse receipt shall cover a separate granary, crib or bin.

(2) Warehouse receipts issued under this chapter shall, so far as applicable, be subject to the Uniform Commercial Code.

Section 2. Section 382.340 of the Kentucky Revised Statutes is amended to read as follows:

(1) Mortgages executed by corporations, organized under the laws of Kentucky, authorized to operate railroads, motor transportation lines, electric light, heat and power plants, water plants, telegraph and telephone lines, which cover right of ways, franchises, pipe lines, pole lines, casements, railroad tracks, engines, cars, motor equipment or any tangible personal property shall be duly acknowledged as required by law and recorded as mortgages on real estate are required to be recorded in the county in which the principal office of the corporation is located.

(2) If the mortgage covers other real property in addition to right of ways, franchises, pipe lines, pole lines, easements, railroad tracks, engines, cars, motor equipment or tangible personal property, then the mortgage shall also be recorded in each county in which such other real property used as right of ways other than right of ways for pole lines is located.

(3) When such mortgage is lodged for record, as herein provided, it shall be effective against purchasers for a valuable consideration without notice and against creditors as defined in KRS 382.270.

Section 3. Section 382.635 of the Kentucky Revised Statutes is amended to read as follows:

If any tobacco crop subject to the lien of a security interest is sold at public auction through a duly licensed tobacco warehouse in the ordinary course of business, a bona fide purchaser for value of such crop shall take title thereto free and clear of any lien, and the warehouseman selling such tobacco crop shall not be liable to the holder of such lien, unless written notice of such lien and the amount thereof, the name and address of the debtor and proper indentification of the property subject to lien, are given to the tobacco warehouseman prior to the payment of the proceeds of sale to the owner or producer of such tobacco crop.

Section 4. Section 7-204 of the Uniform Commercial Code is amended to read as follows:

Duty of Care; Contractual Limitation of Warehouseman's Liability. (1) A warehouseman is liable for damages for loss of or injury to the goods caused by his failure to exercise such care in regard to them as a reasonably careful man would exercise under like circumstances but unless otherwise agreed he is not liable for damages which could not have been avoided by the exercise of such care.

(2) Damages may be limited by a term in the warehouse receipt or storage agreement limiting the amount of liability in case of loss or damage, and setting forth a specific liability per article or item, or value per unit of weight, beyond which the warehouseman shall not be liable; provided, however, that such liability may on written request of the bailor at the time of signing such storage agreement or within reasonable time after receipt of the warehouse receipt be increased on part or all of the goods thereunder, in which event increased rates may be charged based on such increased valuation, but that no such increase shall be permitted contrary to a lawful limitation of liability contained in the warehouseman's tariff, if any. No such limitation is effective with respect to the warehouseman's liability for converson to his own use.

(3) Reasonable provisions as to the time and manner of presenting claims and instituting actions based on the bailment may be included in the warehouse receipt or tariff.

Section 5. Section 382.390, 382.400, 382.410, 383.420, 382.600, 382.610, 382.620, 382.630, 382.640, 382.650, 382.660, and 382.730 of the Kentucky Revised Statutes are repealed.

Section 6. This Act shall take effect on July 1, 1960.

HB 469, AN ACT relating to forest fire prevention.

WHEREAS, survey made by the Division of Forestry covering the years 1944 through 1959, excluding the years 1952 and 1953, shows a total of 3,822,696 acres of forest lands burned or an annual average for the fourteen years of 273,049 acres; and

WHEREAS, the estimated damage to the forests of the Commonwealth for these fourteen normal years averaged annually $842,411 or a total loss of $11,793,762; and

WHEREAS, in the two years of extreme drought, 1952 and 1953, a total of 2,356,097 acres were burned at an estimated loss of $18,038,131; and

WHEREAS, under present law the Division of Forestry is unable to cope with the increased hazards existing during such emergencies,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) It shall be unlawful, when the forest lands, brush lands and fields in this State or any part thereof have become so dry or parched as to create an extraordinary fire hazard endangering lives and property, for any person, except the owner, tenant or owner's authorized agent, persons regularly engaged in cutting, processing, or moving forest products, or person on official duty, to enter or travel in any state, county, municipal or private forest lands, brush lands, fields or idle or abandoned lands in the area so affected except on public highways or well defined private roads.

(2) When such an emergency is found to exist by the Director of Forestry, the Governor may proclaim such a condition to exist in the Commonwealth or any described part thereof. The provisions of subsection (1) shall be effective only during the time such proclamation is in force and only in the area where such emergency is declared to exist.

(3) The Secretary of State shall cause notice of such proclamation or any amendments or recision thereof to be published in a newspaper or newspapers of general circulation in the area affected.

Section 2. Any person who shall violate any provision of this Act shall be fined not less than ten nor more than five hundred dollars, or imprisoned not to exceed thirty days, or both.

HB 470, AN ACT relating to forest pest control.

WHEREAS, the forests of the Commonwealth constitute one of its most valuable resources, furnishing raw products to approximately one thousand, one hundred woodusing plants and mills employing over eighteen thousand persons with an annual payroll of about forty million dollars; and

WHEREAS, the forests provide protection and habitat to wildlife, and contribute more than any other factor to the success of water conservation and flood control; and

WHEREAS, the majestic American chestnut tree is now virtually extinct from the onslaught of a disease that came in from across the sea; and

WHEREAS, a very serious fungus is attacking the oaks, which causes almost instantaneous death, and there are insects and diseases which threaten the pine forests of the Commonwealth and the thousands of acres of young pine plantations; and

WHEREAS, on a national basis the recent "Timber Resources for America's Future" stated that forest insects and diseases caused seven times as much damage as forest fires; and

WHEREAS, legislation is urgently needed to protect the forests of the Commonwealth from the ravages of destructive insects and diseases, which if permitted to run unopposed would eventually destroy the State's most valuable resource which would affect the economy and social life of the Commonwealth:

NOW ,THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The purpose of this Act is to place in the Division of Forestry of the Department of Conservation, the authority and responsibility to control forest pests and infestations, which are hereby declared to be a public nuisance, in order to protect and preserve forest resources, enhance the growth and maintenance of forests, promote stability of forest-using industries, aid in fire control by reducing the menace created by dying and dead trees, conserve forest cover on watersheds, and protect recreational, wildlife and other values of the forests of the Commonwealth.

Section 2. The Director of Forestry shall make surveys and investigations to determine the threat or presence of infestations and control of forest pests. For this purpose duly designated representatives of the Director may enter at reasonable times on public and private lands for the purpose of conducting such surveys, investigations and controls.

Section 3. Whenever the Director of Forestry finds that any forest area is infested or threatened to be infested with forest pests, he shall determine whether measures of control are needed and are available and the area over which the control measures shall be applied. He shall prescribe the proposed zone in which control measures are to be applied, and shall publish notice of the proposal, as required by law. Such notice shall include a brief description of the location of the proposed zone of infestation and the approximate time when control measures will be executed.

Section 4. The Director of Forestry may apply measures of infestation control on public and private forests and other lands anywhere in the Commonwealth, to any trees, timber, plants or shrubs thereon harboring or which may harbor any forest pests. He may enter into agreements with owners of such lands covering the control work on their lands, and fix the prorate basis on which the cost of such work will be shared between the Commonwealth and said owner; provided, that the failure of the Director to offer an agreement to or execute an agreement with any owner shall not impair the right of his representatives to enter on the lands of said owner to conduct control operations.

Section 5. The Director of Forestry is authorized to carry out control work on other adjacent or interior holdings, which, if uncontrolled, would cause a re-infestation of the controlled area, and to contract with owners of land in the affected area relative to payment of the cost of such work.

Section 6. The Director of the Division of Forestry may cooperate with the federal government or agencies thereof, other agencies of the Commonwealth, county or municipal governments, agencies of neighboring states, or other public or private organizations, or individuals and may accept such funds, equipment, supplies or services from cooperators and others as may be deemed appropriate. The Director may provide in agreements with the federal government or its agencies for matching of federal funds as required under federal laws relating to forest pests.

Section 7. All monies collected under the provisions of this Act, including such as may be contributed or paid by the federal government or any other public or private agency, organization or individual, shall be placed in the State Treasury to the credit of a revolving, trust or agency fund account for use by the Division of Forestry in carrying out the purposes of this Act.

Section 8. The Director of the Division of Forestry is authorized as required by law, to employ necessary personnel, procure necessary equipment, supplies and services to enter into contracts in the name of the Director to provide funds to any agency of the United States for work or services under the forest pest control program. The Director of Forestry may prescribe rules and regulations for carrying out the purposes of this Act.

HB 471, AN ACT relating to watershed conservancy districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 262.745 of the Kentucky Revised Statutes is amended to read as follows:

Subject to the approval of the board of supervisors, the board of directors of a watershed conservancy district shall have power to:

(1) Levy an annual tax on the real property within the district within the limitations provided in KRS 262.760 for administration, construction, operation and maintenance of works of improvement within the district.

(2) Acquire by purchase, gift, grant, bequest, devise or through condemnation proceedings in the manner provided in KRS 416.010 to

416.080, such lands or right of ways as are necessary for the exercise of any authorized function of the district, and for such purpose, may cause examinations and surveys to be made of any lands or right of ways necessary for the performance of any authorized function of the district, in the manner provided in subsection (1) of KRS 416.130.

(3) Construct, improve, operate and maintain such structures as may be necessary for the performance of any function authorized by KRS 262.700 to 262.795.

(4) Borrow such money as is necessary for the purpose of acquiring right of ways and establishing, constructing, reconstructing, repairing, enlarging and maintaining such structures and improvements as are required by the district in the performance of its functions, and issue, negotiate and sell its bonds as provided in KRS 262.750.

Section 2. Section 262.765 of the Kentucky Revised Statutes is amended to read as follows:

(1) The board of directors of a Watershed Conservancy District shall prepare and furnish to the county tax commissioner by January 1 each year a list of the landowners in each county involved showing the real property subject to assessment, and the county tax commissioner of the county or counties involved shall indicate, for the use of the clerk, such information on the tax rolls. The list furnished the county tax commissioner by the board of diretcors shall: list the landowners in alphabetical order by taxing districts as shown on the previous year's tax roll, list the total average and the acreage in the Watershed Conservancy District owned by each landowner, and show that part of the previous year's assessment attributable to real property within the Watershed Conservancy District on those parcels which are not entirely within the district.

(2) When the property tax rolls are delivered to the county court clerk by the county tax commissioner, as required by law, the county clerk shall compute the tax due the district from each landowner in accordance with the rate fixed by the board of directors and the value of the real property indicated on the tax roll. The computation shall be made on the regular tax bills in such manner as may be directed by regulation of the Department of Revenue.

Section 3. A vacancy on the board of directors of a Watershed Conservancy District shall be filled by the board of supervisors.

HR 45, A JOINT RESOLUTION authorizing and directing payment of a claim of the Rocky Creek Lake Club, Incorporated.

WHEREAS, on July 3, 1956 the Rocky Creek Lake Club, Incorporated, of Russellville, Kentucky, paid the sum of $450.00 to a local attorney in private practice for abstract and title work performed in 1955-56 on behalf of the Commonwealth of Kentucky in connection with acquisition by the Commonwealth of title to numerous tracts of land in Muhlenberg, Logan and Todd Counties to be used for the creation of a lake and establishment of a recreational area for the benefit of the people of this State; and

WHEREAS, through mistake or inadvertence no provision had been made by the Commonwealth for the payment of this cost, thereby necessitating this expenditure by the Club in order to avoid delay; and

WHEREAS, the Club should be reimbursed for its expenditure on behalf of the Commonwealth;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Commissioner of Finance and the State Treasurer are authorized and directed to pay to the Rocky Creek Lake Club, Incorporated, of Russellville, Kentucky, the sum of $450.00.

SB 135, AN ACT pertaining to Juvenile Courts, clarifying their jurisdiction and powers, defining more clearly certain terms used in the existing law, and transferring certain sections pertaining to such Courts from other Chapters in Kentucky Revised Statutes into Chapter 208 thereof.

WHEREAS, certain words and terms appearing in Chapter 208, of the Kentucky Revised Statutes, need defining; and

WHEREAS, the jurisdiction and powers of county courts and the juvenile session thereof need clarification; and

WHEREAS, certain ommissions and insertions in the existing law relative to the powers of county courts in juvenile session and of other courts over children, the penalties, failure of parents to contribute to the support of their children need to be made in Sections 199.320, 199.990 (2), 200.110, 208.010, 208.020, 208.170, 208.200, 208.280, 208.320, 208.340, 208.470 and 208.990, of the Kentucky Revised Statutes:

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 208.010 of the Kentucky Revised Statutes, is amended to read as follows:

As used in KRS 208.010 to 208.590 and 208.990, unless the context otherwise requires:

(1) "Department" means the Department of Welfare.

(2) "Child" means any person who has not reached his eighteenth birthday.

(3 "Court"means the juvenile session of the county court.

(4) "Child Welfare Worker" means any employee of the Department of Economic Security, designated as such by the Commissioner of the Department of Economic Security, or a social worker employed by a county or city, who has been approved by the Department of Economic Security to handle, under its supervision, services to children.

(5) "Dependent or Neglected Child" has the same meaning as in KRS 199.011 (5).

(6) "Abandoned Child" has the same meaning as in KRS 199.011 (6).

(7) "Needy Child", as used in this Chapter, means one which is in want and deprived of the necessities for living; the education required by law; or the supervisory medical, psychiatric, psychological, or other care necessary for his well being.

Section 2. Section 208.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) The juvenile session of the county court of each county shall have exclusive jurisdiction in proceedings concerning any child living or found within the county who:

(a) Has committed a public offense, except a moving motor vehicle offense, involving a child sixteen years of age or over. The court shall not have jurisdiction in any prosecution of a moving motor vehicle offense involving a child sixteen years of age or over. Juvenile offenders sixteen years of age or over accused of moving motor vehicle offenses shall be treated as any adult offender; PROVIDED, HOWEVER, that the term "moving motor vehicle offense" shall not be deemed to include the offense of stealing or converting a motor vehicle nor operating the same without the owner's consent, nor any offense which constitutes a felony; or

(b) Who is unmanageable or ungovernable and beyond the control of his parents or other guardian; or

(c) Whose acts of commission or omission, behavior, occupation, environment or association are such as to injure his welfare, or that of others, and to require for his good and possible reformation, that he be taken into custody and surrounded by proper moral training and influences to make him, if possible, a good and reputable citizen.

(d) Is found by the court to be dependent, neglected, needy or abandoned.

(2) The court of each county wherein a public offense, (as defined in KRS 208.020 (1) (a) is committed by a child who is a resident of another county of this state, shall have concurrent jurisdiction over such child with the court of the county wherein the child resides. Whichever court first acquires jurisdiction of such child may proceed to final disposition of his case, or, in its discretion may make an order

transferring the case to the court of the county of his residence, or the county wherein the offense was committed, as the case may be.

(3) The court of each county shall have exclusive jurisdiction of persons who, and no person shall,

(a) Knowingly encourage, aid, cause or in any manner contribute to the conditions which cause, or tend to cause a child to become delinquent, neglected, dependent, needy or charged with a crime; or

(b) Willfully fail to do any act that will directly tend to prevent a child's becoming delinquent, neglected, dependent, needy, abandoned or charged with a crime.

(4) Nothing in Chapter 208, of the Kentucky Revised Statutes, shall deprive other courts of the jurisdiction to determine the custody or guardianship of children upon writs of habeas corpus, or to determine the custody or guardianship of children when such custody or guardianship is incidental to the determination of other causes pending in such other courts; nor shall anything in Chapter 208, of Kentucky Revised Statutes, affect the jurisdiction of circuit courts over adoptions and proceedings for termination of parental rights. The juvenile court shall have no jurisdiction to make permanent awards of custody of a child as between its two natural parents, but, if the court finds an emergency to exist affecting the welfare of a child, it may make temporary orders for its custody as between its two natural parents, pending the outcome of proceedings in circuit court to determine its permanent custody. Such orders shall be entirely without prejudice to the proceedings for permanent custody of the child, and shall remain in effect for not more than sixty (60) days following their entry, except that the court may, from time to time, and prior to their expiration, extend the operation of such orders if, after a new hearing, it finds the emergency still to exist and that the proceedings for permanent custody have not been terminated. Upon the entry of a temporary or final judgment in the circuit court, awarding custody of such child to one or the other of its natural parents, all prior orders of the juvenile court in conflict therewith shall be deemed cancelled.

Section 3. Section 208.170 of the Kentucky Revised Statutes, is amended to read as follows:

(1) If, during the course of any proceeding in the juvenile court, it appears to the court that there is reasonable cause to believe that a child before the court has committed a felony, and, at the time of the commission of the offense, the child was sixteen years of age or over, or was less than sixteen years of age, but the offense was murder or rape, including being an accessory to either of said offenses before the fact, but not including the lesser degrees of said offenses, and the court is of the opinion that the best interests of the child and of the public require that the child be tried and disposed of under the regular law governing crime, the court, in its discretion, may make an order transferring the case to the circuit court of the county in which the

offense was committed. No child shall be considered a felon for any purpose until transferred to, tried and convicted of felony by the circuit court.

(2) When the juvenile court so transfers a case to the circuit court:

(a) If a grand jury considers the case and is satisfied there is sufficient evidence to indict the child, it may either return an indictment or may return a written report to the circuit court recommending that the child be committed to the department. If the court believes that such commitment would be proper, it may order the child committed to the department.

(b) If, during any stage of the trial in the circuit court, the child, or his parents or guardian so requests, the judge, in his discretion, may stop the trial and commit the child to the department.

(c) If neither of the procedures specified in paragraphs (a) and (b) of this subsection are employed, the child shall be tried as any other defendant.

(d) While under the jurisdiction of the circuit court, the child shall be subject to bail the same as an adult.

(e) Any commitment to the department, under paragraph (a) or (b), of this sub-section, shall be for an indeterminate period not to exceed the age of twenty-one.

Section 4. Section 208.200 of the Kentucky Revised Statutes, is amended to read as follows:

(1) If, in its decree, the juvenile court finds that the child comes within the purview of KRS 208.020 (1) or (2), the court may, by order:

(a) Place the child on probation or under supervision in his own home or a suitable family home or boarding home, upon such conditions as the court shall determine. Probation shall not be ordered or administered as punishment, but as a measure for the protection, guidance and well-being of the child and his family. A child so placed on probation shall be subject to the visitation and supervision of a probation officer or a child welfare worker. Probation methods shall be directed to the discovery and correction of the basic causes of maladjustment and to the development of the child's personality and character, with the aid of the social resources of the community. A child so placed on probation shall remain subject to the jurisdiction of the juvenile court until he becomes twenty-one years of age, unless he is discharged prior thereto by the Court.

(b) Commit the child to the custody or guardianship of a private or public institution or agency authorized to care for such children, or under the guardianship of a suitable person. Such commitment shall be until the age of twenty-one, subject to the power of the court to discharge the child prior thereto, or of the governing authorities of said agency or institution to do so. In committing a child to a private institution or agency, the court shall select one that is approved by the Department of Economic Security, and children committed to such an institution or agency shall be subject to the visitation and supervision of a probation officer or child welfare worker.

(c) Commit the child to the department. Such commitment shall be for an indeterminate period not to exceed the age of twenty-one.

(2) If, in its decree, the juvenile court finds that the child comes within the purview of KRS 208.020 (1) or (2), the court may dispose of the child as provided in sub-section (1) (a), (1) (b) or (1) (c), of this section, except that, if a child comes within the purview of KRS 208.020 (1) (b) or KRS 208.020 (1) (c), or KRS 208.020 (1) (d), the court may not commit the child to the Department of Economic Security unless the Department of Economic Security has indicated to the court that it has facilities and funds available to care for the child and is willing to accept the commitment.

(3) In the event a child commits a new offense, while a ward of the department, the court shall have exclusive, original jurisdiction for the new offense, and may modify all previous orders, including that committing the child to the department. Nothing in this section shall limit the jurisdiction of any other court in assuming jurisdiction of wards of the department between the ages of eighteen and twenty-one years of age who have committed another public offense after attaining the age of eighteen.

(4) If a child is disposed of as provided in paragraph (a) or (b), of sub-section (1), of this section, the court may modify or set aside its order at any time, and direct that the child be otherwise disposed of, in accordance with KRS 208.010 to 208.990.

(5) No adjudication by a juvenile court of the status of any child shall be deemed a conviction, nor shall such adjudication operate to impose any of the civil disabilities ordinarily resulting from a criminal conviction, nor shall any child be found guilty or be deemed a criminal by reason of such adjudication.

Section 5. Section 208.280 of the Kentucky Revised Statutes, is amended to read as follows:

If it appears that the parent of any child who has been found to fall within the purview of this chapter and who has been left in his own home or in the home of a relative, placed on probation or placed in a foster home or boarding home or in the care of a public or private institution or agency, or the department is able to contribute to the support of the child, the court shall enter an order requiring the parent to pay a reasonable sum from time to time for the support, maintenance or education of the child. The order shall direct that the money be paid to the county clerk to be disbursed as ordered by the court or be paid to the person, institution, department or agency to which the child was committed or probated. On such application and on such notice as the court may direct, the court may make alterations in the requirement for contribution. The court may require the parents to give security for payment of the sums due, and shall have the powers of a court of equity in enforcing its orders. The enforcement of a sentence imposed on any parent who fails to comply with such an order of the court may be suspended at the discretion of the court, but the suspension may be revoked at the discretion of the court, upon the failure of the parent to obey further orders of the court.

Section 6. Section 208.320 of the Kentucky Revised Statutes, is amended to read as follows:

(1) In counties containing a city of the first or second class, the county judge may appoint a chief probation officer of the juvenile court and such number of assistant probation officers, professional and clerical personnel as may be authorized by the fiscal court. Such officers shall receive reasonable salaries to be fixed by the fiscal court, and shall be allowed their actual and necessary expenses incurred in the performance of their duties. The salaries and expenses shall be paid out of the county treasury. The officers shall serve at the pleasure of the county judge. The officers shall be peace officers, with all the powers of the sheriff in making arrests and carrying out the purposes of this Act. A probation officer may take into custody any child that he has reasonable grounds to believe is in violation of conditions of his or her probation, and detain such child for appropriate action by the court.

(2) In any county, the county judge may appoint or designate one or more discreet persons of good moral character to serve as volunteer probation officers of the juvenile court. Such officers shall serve during the pleasure of the judge and without compensation, except that the fiscal court may authorize the payment of compensation out of the county treasury to any such officers. Representatives of the Department of Economic Security may be appointed or designated as such volunteer probation officers, but without compensation from county funds.

(3) If the Department of Economic Security deems it necessary, it may appoint a child welfare worker to cooperate with the Court.

Section 7. Section 208.340 of the Kentucky Revised Statutes, is hereby amended to read as follows:

(1) No probation officer or police officer, nor employee of a probation office or police department shall, without the consent of the County Judge, divulge or communicate to any person any information obtained pursuant to the discharge of his duties pertaining to children, nor shall any record of the actions of the probation officer or police officer in such behalf be made public except by leave of the County Judge. Provided, that nothing in this sub-section shall prohibit the probation officer or police officer from divulging or communicating such information to the Court, to his colleagues or superiors

in his own department, to another probation officer or police officer having a direct interest in the past record or social history of the child, or to a representative of any public or private social agency, institution, hospital or Church having a direct interest in the past record or social history of the child.

(2) This section shall relieve the probation officer or police officer from divulging such facts as a witness on the trial of any case, or the hearing of any proceedings or the production of such records for use in such trial or proceeding; except that the facts may be divulged or the records produced where the case on trial is an appeal from the Juvenile Court's order, or a case transferred to Circuit Court from Juvenile Court, pursuant to KRS 208.170, and the facts or records relate directly to the child's participation in the offense with which he is charged, if any.

Section 8. Section 208.990 of the Kentucky Revised Statutes, is amended to read as follows:

(1) Any person who violates KRS 208.120 shall be fined not less than one hundred dollars nor more than five hundred dollars, or imprisoned in the county jail for not more than thirty days, or both.

(2) Any person who transports or causes or permits a female child to be transported in violation of subsection (1) of KRS 208.260 shall be fined not less than one hundred dollars nor more than five hundred dollars.

(3) Any person who violates subsection (2) of KRS 208.260 shall be fined not more than one hundred dollars.

(4) (a) Any adult person who violates subsection (3), of KRS 208.020, shall be fined not more than five hundred dollars or imprisoned in the county jail or workhouse not more than twelve months, or both;

(b) Instead of the penalty imposed by paragraph (a) of this subsection, the court may suspend the sentence or release the defendant on probation upon his recognizance, with or without sureties. The defendant may be ordered during the effective period of his probation to make his personal appearance in court from time to time, and shall provide and care for the child as directed by the court, and shall further comply with the orders of the court. If the court is satisfied on information or proof under oath that the defendant has violated the terms of the order, it may revoke the order and sentence him under the original order of conviction.

Section 9. Sections 199.320 and 199.990 (2), of the Kentucky Revised Statutes are hereby repealed.

Section 10. Section 200.110, of the Kentucky Revised Statutes is hereby repealed.

HB 442, AN ACT relating to school attendance and 4-H Club activities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Anything in the statutes of the Commonwealth to the contrary notwithstanding, all pupils in the schools of the state who are enrolled in a properly organized 4-H Club shall be considered present at school for all purposes when participating in regularly scheduled 4-H Club educational activities, provided, the student is accompanied by or under the supervision of a county Extension agent or the designated 4-H Club leader for the 4-H Club educational activity participated in.

HB 450, AN ACT providing for the creation of an area planning commission in urbanized centers, prescribing its duties and powers, its method of creation and continued existence as a body politic, with power to levy a tax and to regulate and control the use of land, public improvements and utilities within its boundaries, providing an appeal, and providing penalties for violation of certain of the provisions thereof.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. In any two or more adjacent counties, one of which has a city having a population of more than 50,000 and not more than 200,000 inhabitants as declared by the last Federal census, the various cities and the counties may consolidate their planning operations by establishing an Area Planning Commission which may be created under the provisions of this Act, when in the judgment of the legislative bodies of said cities and counties a consolidation provides for a more efficient planning operation.

Section 2. If the fiscal courts of any two or more adjacent counties elect to be consolidated as provided in Section 1 hereof, and the respective legislative bodies of cities representing more than two-thirds of the population of the residents living within the boundaries of corporate territories of each county, by ordinance or resolution elect to consolidate as provided in Section 1 hereof, then the cities and counties so affected shall authorize the execution of a contract between themselves agreeing to participate in the creation of an Area Planning Commission and agreeing to be governed by the provisions of this Act. When a sufficient number of municipalities and counties have executed said agreement, copies shall be filed in the office of the clerk of each of the counties affected. Thereupon an Area Planning Commission is established.

Section 3. (1) The Area Planning Commission as created under the provisions of this Act shall be composed of not more than nine members who shall be selected from governmental units participating in the existence of the Area Planning Commission by the affirmative action of the Area Council hereinafter provided for.

(2) Of the initial membership five members shall be elected for a term of two years, and four members for a term of one year each, and upon the expiration of their respective terms the successors of each shall be elected for a term of two years.

(3) At its first regular meeting in each year, the Commission shall elect from its membership a chairman and a vice-chairman. The vice-chairman shall have the authority to act as the chairman during the absence of its chairman.

(4) The Commission may appoint from within or without its own membership, a secretary, prescribe his duties and fix his compensation.

(5) Members of the Commission may be removed for cause by an affirmative action of the Area Council.

(6) Vacancies may be filled at any time by the affirmative action of the Area Council for the unexpired term existing.

(7) Each member of the Commission, before entering upon his official duties, shall take and subscribe to an oath that he will honestly, faithfully, and impartially perform the duties of his office, and that he will not be interested in any contract let for the purpose of carrying out any of the provisions of this Act. The oath shall be filed with the clerk of the county court in the county of his residence.

(8) Each member of the Commission shall give a good and sufficient bond, to be approved by the Area Council, conditioned upon the faithful and honest performance of his duties, and as security for all moneys coming into his hands or under his control. The cost of the bond shall be paid by the Commission.

(9) A quorum shall consist of a majority of the members of the Commission.

(10) The Commission shall appoint a treasurer from within or without its membership, prescribe his duties and fix his compensation. The treasurer shall execute a good and sufficient bond, conditioned upon the faithful and honest performance of his duties and as security for all moneys coming into his hands or under his control. Said bond shall be in the penal sum of twenty-five thousand dollars. The cost of the bond shall be paid by the Commission.

(11) Meetings shall be held at the call of the chairman.

Section 4. (1) In order to provide more effective representation of the various governmental units participating in the creation of the Area Planning Commission, an Area Council shall be created.

(2) The Area Council shall be composed of one member elected by the legislative body of each municipality and county within the Area Planning territory.

(3) Each year the various governmental units, composing the Area Planning territory, shall elect their members for the Area Council.

(4) At its first regular meeting in each year, the Council shall elect from its membership a president and vice-president. The vice-president shall have the authority to act as president of the Council during the absence or disability of the president.

(5) The Council may appoint from within or without its own membership a secretary, prescribe his duties and fix his compensation.

(6) The Council shall confer in an advisory capacity with the Area Planning Commission created hereunder. All actions taken by the Council must receive the affirmative vote of each county and each city of the second class and one-half of the remaining membership for passage.

(7) The Area Council may budget in each year for the payment of a per diem for each member of the Area Planning Commission not to exceed the sum of twenty dollars per day for each day the Commission is in actual session, not to exceed in any one year the sum of one thousand dollars for each member.

(8) A quorum of the Area Council shall consist of a majority of its membership.

Section 5. The master plans or portions thereof of each of the participating units of government, including all zoning ordinances and amendments, supplements and changes thereto, heretofore and hereafter adopted by the said units, and all action taken under the authority of such ordinances shall continue and be in effect unless they are in conflict as to planning with actions taken by the Area Planning Commission.

Section 6. The Area Planning Commission created hereunder, when accepted by the cities and counties affected as provided for herein, shall then be a political subdivision and shall be in perpetual existence, with power to sue and be sued, contract and be contracted with, incur liabilities and obligations, levy an annual tax, which shall not exceed more than five cents upon each one hundred dollars of the assessed valuation of property within the counties affected, to be used for the purpose of defraying all expenses necessary and incidental to carry out the continuing activities of the Area Planning Commission. This tax shall be certified to the auditors and county clerks of the various counties and by them to the respective treasurers of the counties, signator to the contract provided for in Section 2. The tax shall be based upon the last preceding assessment for state and county purposes, its collection shall conform to the collection of taxes for counties and the same provisions concerning the nonpayment of taxes shall apply. The tax shall be added by the county clerk to the next state and county tax bill following the levy of the tax by the Area Planning Commission, and shall be collected concurrently with state and county taxes. The sheriff shall be allowed a fee not to exceed four percent for collection.

Section 7. (1) To effectuate the purposes of this Act the Area Planning Commission shall have the power and duty to:

(a) Establish a master plan of the entire area within its jurisdiction or portions thereof, which may include any part or all of the plans set out in Section 5 hereof. The master plan shall include studies of the population and the economy of the area of jurisdiction of the Area Planning Commission and shall include proposals for future land use, major streets, highways, and other public grounds, places and buildings for all or part of that area.

(b) Appoint an executive director for the Commission and fix his compensation. The director shall be qualified by training and experience in the field of planning and zoning.

(c) Establish a land use plan of the entire area under its jurisdiction or portions thereof, if it deems it necessary. The area land use plan may include the zoning plans now adopted by the various affected, but shall include a map of the entire area of its jurisdiction showing the land use districts into which it is divided. It shall prepare a text consisting of general minimum standards or requirements for those zones. The text and portion of the map pertaining to the jurisdiction of each governmental unit in the Area Planning Commission shall be presented to the legislative bodies of the various governmental units with the recommendation that they be adopted by ordinance or order. Provided, however, that any governmental unit under the jurisdiction of the Area Planning Commission may adopt more strict regulations or impose higher standards of land use than adopted by the land use plan.

(d) Prescribe the qualifications of, appoint, remove and fix the compensation of employes of the Commission.

(e) Prepare, publish and distribute reports and other material relating to the business of the Commission.

(f) Prepare and submit an annual budget for the operation of the Commission.

(g) Exercise general supervision of and make regulations for the administration of the affairs of the Commission.

(h) Prescribe uniform rules pertaining to investigations and hearings.

(i) Keep an accurate and complete record of all Commission proceedings, financial statements, and annually report to the various cities and counties signators to the agreement provided in Section 2 hereof.

Section 8. It shall be unlawful for any person, firm, corporation or public official to construct or authorize the construction of any public street, public roadway, public parkway, public grounds, public place, or public utility, privately or publicly owned, within the Area Planning boundaries until and unless the proposed location and extent of such public construction or authorization shall have been approved by the Area Planning Commission upon proper presentation and hearing. Notice of such hearing shall be given as provided for other hearings. Any person found guilty of a violation of the foregoing Section shall, upon conviction in a court of competent jurisdiction, be fined in the sum of not less than one hundred dollars nor more than five hundred dollars.

Section 9. Prior to the adoption of a master plan, or a portion thereof, or any amendments thereto, as herein provided for, the Area Planning Commission shall give notice and hold a public hearing thereon. At least ten days prior to the date set for said hearing the Commission shall publish in a newspaper of general circulation in each of the counties, signators to the agreement provided for in Section 2 hereof, a notice of the time and place of hearing.

Section 10. After a public hearing has been held the Commission may adopt the master plan or portion thereof, or any amendment thereto, and certify it to the various cities and counties, signators to the agreement provided for in Section 2 hereof. One copy of which shall be placed on file in the office of the county clerk of each of said counties.

Section 11. (1) Any person, firm corporation, organization, public official or governmental unit being a party of record at any hearing and claiming to be injuriously affected or aggrieved by an action or decision of the Commission growing out of such hearing, may appeal from such action or decision to the circuit court of the county in which the major portion of the land affected by such decision or action relates, and jurisdiction is hereby given to such circuit court to hear and determine all questions and issues properly brought before it on such appeal.

(2) Appeal shall stay all action by all parties of record in the matter appealed from. Such appeals shall be taken within thirty days after notice of such action or decision has been given, by filing in the office of the circuit clerk a statement of appeal setting forth the action or decision appealed from, the date thereof, the grounds for said appeal, and attaching thereto as a part thereof, a certified copy of such action or decision. After the appeal is taken the procedure shall be as provided for in the Rules of Civil Procedure of Kentucky. Hearings in the circuit court shall be de nova and heard by the judge. Appeals may be taken from the decision of said circuit court to the Court of Appeals of Kentucky in the same manner as provided in the Rules of Civil Procedure.

HB 357, AN ACT relating to fees of circuit clerks.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

A circuit clerk may, but is not required to, refuse to accept any pleading or paper for filing, or perform any other duty, in a civil action for which he is allowed a fee unless the fee is tendered and all accrued costs are paid, except as provided by KRS 453.190.

HB 481, AN ACT relating to public improvements in cities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 93 of the Kentucky Revised Statutes is created to read as follows:

A city of the first class may provide for the making and financing of any public improvement as provided in KRS 94.292 to 94.325.

Section 2. Section 94.291 of the Kentucky Revised Statutes is amended to read as follows:

KRS 94.291 to 94.325 provide for the making and financing of public improvements in cities of all classes. However, these sections are not intended to affect the provisions of KRS 94.160 and 94.170, providing an alternate plan for the acquisition and operation of sewerage systems, nor are they intended to affect the provisions of KRS 94.500 to 94.540, relating to the oiling of public ways, or the provisions of KRS 177.041 to 177.047.

SB 119, AN ACT relating to circuit courts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The circuit court may appoint an advisory committee to advise him in domestic relations cases. The committee shall serve without salary or expenses. The court may require all persons concerned in a domestic relations proceeding to attend a hearing at which the committee is present. The committee may make recommendations, which are not binding, to the court as to the disposition of the case.

HB 464, AN ACT relating to the creation of water commissions by cities and water districts for the joint acquisition, operation and financing of sources of supply of water.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

1. As used in this act, unless the context requires otherwise "sources of supply of water" means and includes any or all of the following:

wells, impounding reservoirs, standpipes, storage tanks, pumps, machinery, purification plants, softening apparatus, trunk mains and all other appurtenances useful in connection with developing and furnishing a supply of water under pressure into the water distribution systems of the cities or water districts which are represented by a commission created pursuant to the provisions of this act.

2. In the interest of the public health and for the purpose of providing an adequate supply of water to cities and water districts any two or more cities or any two or more water districts organized under Chapter 74 of the Kentucky Revised Statutes or any combination of such cities and water districts may jointly acquire either by purchase or construction sources of supply of water and may operate jointly such sources of supply of water and improve and extend the same in the manner as provided in this act. The governing body of any city or water district desiring to avail themselves of the provisions of this act shall adopt a resolution or ordinance determining and electing to acquire and operate jointly sources of supply of water.

3. Upon the adoption of such an ordinance or resolution by the governing body of each such city or water district a certified copy thereof shall be filed with the county court of the county in which the cities or water districts proposing the creation of the commission having the greatest aggregate population are situated and upon such filing the court shall by appropriate order set a date for a public hearing on the creation of such commission and shall give reasonable notice of such public hearing which notice may be given in the manner as provided by Chapter 424 of the Kentucky Revised Statutes. Any resident of the cities or water districts proposing the creation of the commission may file objections and at the public hearing if the court finds that the establishment of such a commission is reasonably necessary or advantageous for the public health, convenience and comfort of the residents of all such cities and water districts which proposed the creation of the commission it shall make an order establishing the commission and designating it by name which name shall include the words "Water Commission".

If the court does not find that the creation of a commission is reasonably necessary or advantageous it shall make an appropriate order in this regard. Any party in interest may thereupon appeal to the circuit court for a retrial, and from the circuit court to the Court of Appeals as provided by law or the cities and water districts may revise and readopt such ordinances or resolutions.

4. After the county court has made an order creating a water commission the presiding officer of each of the cities or water districts which proposed the creation of said commission with the approval of the governing body thereof shall appoint one commissioner and if the number of commissioners so appointed by the presiding officers of such cities or water districts shall equal or exceed five, then no

further commissioners shall be appointed and such commissioners shall be and constitute the water commission.

If the number of commissioners appointed by the presiding officers of such cities or water districts shall be less than five, then the county judge of the county court which entered the order creating the commission shall appoint such additional commissioners to said commission as shall be necessary to make the number of commissioners equal five. The commissioners so appointed shall constitute the commission which shall be a public corporation and a public body corporate and politic with the powers and duties specified in this act and which commission shall be a joint agency and instrumentality of the respective cities or water districts represented by said commission. The commission may in its corporate name contract and be contracted with, sue and be sued, adopt and alter at its pleasure a corporate seal and purchase, own, hold and dispose of all real and personal property as may be necessary for carrying out its corporate purpose under this act.

The commissioners originally appointed shall meet and select by lot their respective terms of office so that approximately one-third of the commissioners shall serve for a term of two years, a like number for a term of three years and the remaining commissioner or commissioners for a term of four years. Such terms shall be deemed to commence from the first day of the month during which the order of the county court creating the commission was entered.

Upon the expiration of the term of office of each of the commissioners a successor shall be appointed to succeed him for a term of four years and such appointment to be made in the same manner as the original appointment.

Each commissioner so appointed shall serve until their successors have been appointed and have qualified. Each commissioner shall be a resident of the cities or water districts which are represented by the commission. However, no person shall be eligible for appointment, if he has held an elective office in the State, any county or city, until one year after the expiration of the term for which he was last elected, and no officer or employee of any city, water district, political subdivision or other public body whether holding a paid or unpaid position shall be eligible for appointment as a commissioner. A commissioner is eligible for reappointment upon the expiration of his term. A vacancy shall be filled for the balance of the unexpired term in the same manner as that prescribed for the appointment of the person who has ceased to hold office. Each commissioner shall receive the same compensation which shall not be more than $500 per year, to be fixed by the commission and to be paid out of commission funds. Each commissioner shall furnish a bond for faithful performance of his official duties. This bond shall not be less than $5,000 and the amount thereof shall be fixed by the commission and its cost shall be paid by the commission.

Each commissioner may be removed by the official by whom he was appointed, for cause, after hearing by the appointing official and after at least ten days' notice in writing shall have been given to such commissioner, which notice shall embrace the charges preferred against him. At the hearing he may be represented by counsel. The finding of the appointing official shall be final and removal results in vacancy in such office.

5. Such a commission shall organize by appointing a chairman from its own members and a secretary and a treasurer, who need not be commissioners. The secretary shall keep a record of all proceedings of the commission which shall be available for inspection as other public records. The treasurer shall be the lawful custodian of all funds of the commission and shall pay same out on orders authorized or approved by the commission. The secretary and treasurer shall perform such other duties appertaining to the affairs of the commission and shall receive such salaries as shall be prescribed by the commission, and either or both may be required to furnish bonds in sums to be fixed by the commission for the use and benefit of the commission. The commission shall adopt its own rules of procedure and provide for its meetings. The commission shall have full and complete supervision, management and control of the sources of supply of water as provided in the ordinances or resolutions for acquiring and operating same, and in their maintenance, operation and extension. The commission is authorized to contract with cities or water districts which are represented by the commission for furnishing a supply of water to such parties for a period not exceeding fifty years and the governing bodies of such cities or water districts are authorized to enter into such contracts with the commission. For the purpose of acquiring all or any part of its sources of supply of water the commission is authorized to purchase from cities or water districts which are represented by the commission for mutually agreed terms without regard to actual value any sources of supply of water separate and apart from the water distribution systems of such parties and such cities or water districts are hereby authorized to convey such sources of supply of water to the commission without any election or voter approval notwithstanding any any provision of any other law to the contrary; provided, however, in the event any such city or water district, has outstanding any obligations which by their terms are in any manner payable from the revenues of their waterworks distribution system, the proceeds received from any such conveyance shall be sufficient to retire all of such outstanding obligations including all interest accrued and to accrue thereon to the date of retirement thereof and such proceeds when received shall be set aside in a special fund and used for that purpose. The commission may appoint or contract for the services of officers, agents and employees, including engineers, at-

torneys, accountants, fiscal agents and other professional persons, prescribe their duties and fix their compensation.

6. For the purpose of acquiring, either by purchase or construction, sources of supply of water or for making improvements and extensions to sources of supply of water such a commission is authorized to issue revenue bonds payable solely from the revenues to be derived pursuant to water supply contracts with the cities, water districts, political subdivisions or other public bodies as herein provided and for that purpose the commission may issue such revenue bonds and be vested with all of the powers, duties and responsibilities including the power of condemnation as are delegated and granted to a "governmental agency" under the terms and provisions of Chapter 58 of the Kentucky Revised Statutes as said law now exists or as it may hereafter be amended and under said law the term "governmental agency" means the "commission" and the term "public project" means "sources of supply of water".

7. When a commission has been created the cities or water districts represented by the commission shall contract with the commission for water and said contracts may provide that the sources of supply of water of the commission shall be the exclusive water supply for the respective water distribution systems of said cities and water districts. These cities or water districts shall establish such charges and rates for water supplied by them to consumers as will be suffiicent at all times (1) to pay the principal of and interest on all outstanding obligations of said cities or water districts which by their terms are payable in any manner from the revenues of their respective waterworks distribution systems and (2) to pay the cost of operation and maintenance of their respective waterworks distribution systems including the payments to be made to the commission pursuant to contracts for the purchase of water by those cities or water districts. The commission shall establish such charges and rates for water supplied to those cities or water districts as will be sufficient at all times (1) to pay the principal of and interest on the revenue bonds issued by the commission under the provisions of this act, (2) to pay the cost of operation and maintenance of the sources of supply of water and (3) to provide an adequate fund for renewals, replacements and reserves. Contracts entered into between the commission and the cities or water districts shall include covenants for the establishment of rates and charges as provided in this section.

8. Such commission shall also have the right to supply water to any city, water district, political subdivision or other public body, in addition to the cities or water districts which are represented by the commission, upon such payments, terms and conditions as may be mutually agreed upon, provided, however, that no capital ex-

penditures shall be made by the commission for the purpose of furnishing water to such other party or parties. Any such contract entered into to supply water to a city, water district, political subdivision, or other public body shall provide that payments to be made thereunder shall be solely from the revenues to be derived by such city, water district, political subdivision or other public body from the operation of the waterworks distribution system thereof and said contract shall be a continuing, valid and binding obligation of the city, water district, political subdivision or other public body, payable from such revenues for such period of years, not to exceed fifty, as may be provided in such contract. Any such contract shall not be a debt of any such city, water district, political subdivision or other public body within the meaning of any statutory or constitutional limitations.

9. After the creation of a Water Commission provided for by this Act a city or water district which did not participate in the creation of said Commission may participate in its operation and appoint a commissioner to serve on said commission in the following manner:

(1) The governing body of such city or water district shall adopt and file in the County Court which entered the order creating said commission an ordinance or resolution electing and requesting that it be permitted to be included in and represented by said commission in the same manner and to the same extent as if said city or water district had originally participated in the creation of said commission.

(2) Upon such filing the court shall by appropriate order set a date for a public hearing on the inclusion of such a city or water district in said commission, and shall give notice of such public hearing in the manner as provided by Section 3 of this Act. Any resident of the city or water district at the time represented by said commission, and any resident of the city or water district requesting to be included in and represented by said commission and to participate in its operation, may file objections, and at the public hearing if the court finds that the inclusion of such city or water district in said commission is reasonably necessary or advantageous for the public health, convenience and comfort of the residents of all cities and water districts represented by said commission, including the city or water district requesting to be included in said commission, and provided further that there shall be on file at the County Court a resolution adopted by said commission evidencing its willingness to have such city or water district included in and represented by said commission the court shall make an order authorizing the inclusion of such city or water district in the commission. If the court does not find that the inclusion of such city or water district is reasonably necessary or advantageous it shall make an appropriate

order in this regard. Any party in interest may thereupon appeal to the Circuit Court for a retrial and from the Circuit Court to the Court of Appeals as provided by law.

(3) Upon the entering of the order by the County Court authorizing the inclusion of such city or water district in said commission the number of commissioners, if any, to be appointed to said commission by the County Court shall be reduced by one and the presiding officer, with the approval of the governing body of the city or water district which shall by virtue of said proceedings be included in and represented by said commission, shall appoint a commissioner whose term shall begin at the expiration of the term of the commissioner appointed by the County Court whose term shall first expire. In the event there is no commissioner on said commission appointed by the County Court the term of the commissioner appointed by the presiding officer of such city or water district shall be fixed so that the terms of approximately one-third of the commissioners will expire in each year.

10. Inasmuch as the activities of a commission created pursuant to this act are limited to the supply of water under contract to cities, water districts, political subdivisions or other public bodies as herein provided and such a commission has no authority to supply water to individual private consumers such a commission shall not be deemed to constitute a "utility" or "person" within the meaning and application of Chapter 278 of the Kentucky Revised Statutes and a Commission shall not be required to obtain a certificate of convenience and necessity from the Public Service Commission of Kentucky prior to the construction of any sources of supply of water nor shall said Public Service Commission have any jurisdiction over the operation, management and control of any sources of supply of water acquired by such a commission or any power or authority in connection with the rates and charges established by such a commission pursuant to contracts with the cities, water districts, political subdivisions or other public bodies as herein otherwise provided.

11. This act shall constitute full and complete authority for the creation of water commissions and for carrying out the powers and duties of same as herein provided. The provisions of this act shall be liberally construed to accomplish its purpose and no procedure or proceedings, notices, consents or approvals, shall be required in connection therewith except as may be prescribed by this act. Every water commission organized under this act is declared to be a public body created and functioning in the interest and for the benefit of the public, and its property and income and any bonds issued by it and income therefrom shall be exempt from taxation.

12. If any clause, sentence, paragraph or part of this act, shall for any reason, be adjudged by any court of competent jurisdiction

to be invalid or unenforceable such judgment shall not affect, impair, or invalidate the remainder hereof, but shall be confined in its operation to the clause, sentence, paragraph or part hereof, directly involved in the controversy in which such judgment shall have been rendered.

13. Insofar as the provisions of this act are inconsistent with the provisions of any other law, the provisions of this act shall control.

HB 467, AN ACT providing for the conduct of public business in public.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. No resolution, rule, regulation or formal action of any kind, of any board or commission of any state agency or authority, or of any agency or authority of any county, town, municipal corporation, school district, or other political subdivision shall be adopted at any executive session of any board or commission, or of any such agency or authority, unless otherwise provided by law, and all official meetings of such board, commission or authority are declared to be public meetings open to the public at all times.

Section 2. The minutes of a regular or special session or meeting of any board or commission of any such agency or authority shall be promptly recorded and such records shall be open to public inspection.

HB 105, AN ACT relating to primary elections.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 119.040 of the Kentucky Revised Statutes is amended to read as follows:

The primary elections for the nomination of candidates by political parties to be voted for at the next regular election shall be held on the first Saturday in August of each year between the hours of 6:00 a.m. and 5:00 p.m., at the regular polling place in each election precinct.

Section 2. This Act shall become effective on January 1, 1961.

Committee Substitute for **HB 280**, AN ACT relating to the change of venue of civil actions in circuit courts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 452.010 of the Kentucky Revised Statutes is amended to read as follows:

(1) The parties to any civil action in a circuit court may have an order entered in that action directing its removal to any other circuit court specified and agreed to by them.

(2) Any party to a civil action triable by a jury in a circuit court shall be granted a change of venue upon a showing of one or more of the following grounds:

(a) An opposing party has undue influence over a substantial number of residents of the county eligible for service upon a circuit court petit jury in that county.

(b) An odium attaches to the applicant, or to his cause of action or defense, because of local prejudice;

(c) The county is a party to the suit; or,

(d) The convenience of the witnesses or the ends of justice would be prompted by the change.

Section 2. Section 452.020 of the Kentucky Revised Statutes is amended to read as follows:

An application for a change of venue shall be made within ten days after the service by or upon the party desiring the change after the first pleading which creates an issue of fact in the action. At least ten days notice of the making of an application for a change of venue shall be given to all parties to the action except those who are in default and said notice shall be served and filed as provided in the Rules of Civil Procedure.

Section 3. Section 452.030 of the Kentucky Revised Statutes, is amended to read as follows:

Application for a change of venue shall be made by motion, supported by the affidavit of the party and the affidavits of at least two persons qualified for circuit court petit jury service in the county in which the action is pending. The adverse party may file affidavits controverting the grounds relied upon for the change of venue. The court may also hear other evidence for or against the application and shall exercise a sound discretion in deciding the question.

Section 4. Section 452.050 of the Kentucky Revised Statutes, is amended to read as follows:

A change of venue shall be made to the most convenient circuit court, determined as follows:

(1) If the county from which the change of venue is to be taken has three or more adjoining and contiguous counties, the court shall prepare a list of all such adjoining counties, and the parties shall, within the next two days, alternately, strike off the names of one county each until the name of only one county is left,

the moving party striking first, and the action shall be transferred to the circuit court of that county.

(2) If the county from which the change of venue is to be taken has less than three adjoining and contiguous counties it shall be the duty of the court to add a sufficient number of non-adjoining and non-contiguous counties to the list so that the names of three counties will be on that list. In determining the non-adjoining and non-contiguous counties to be added to the list, the court shall add to said list the names of counties in which the county seats are the closest, as measured along improved and traveled main highways, to the county seat of the county from which the change of venue is being sought, in that respective order.

(3) If a change of venue has previously been granted in the action, the name of the county in which the action orginated shall not be included on the list referred to in subsections (1) and (2), above, and if the exclusion of that county results in less than three counties remaining on the list, the provisions of subsection (2), above, shall apply.

Section 5. Section 452.060 of the Kentucky Revised Statutes is amended to read as follows:

When a change of venue is granted the court shall enter an order which shall designate the circuit court of the county to which the action is transferred, shall allow the moving party at least ten days within which to pay the costs of the change, and shall fix the last day upon which such costs may be paid. The clerk of the court in which the action is pending shall transmit all the papers and a transcript of all proceedings to the clerk of the court to which the venue is changed as soon as the costs of the change are paid.

Section 6. Section 452.070 of the Kentucky Revised Statutes is amended to read as follows:

The order of change of venue shall be void and the moving party shall not be entitled to a change of venue unless the costs of such change are paid within the time prescribed therefor in the order changing the venue of the action.

Section 7. Section 452.080 of the Kentucky Revised Statutes is amended to read as follows:

The clerk of the court to which the venue is changed shall receive and give a receipt for all papers transmitted to him by the clerk of the court from which the venue has been changed, shall docket the action in its order among the other causes pending in that court, and the action shall be tried or otherwise disposed of in the same manner as if it had originated in the circuit court of the county to which it has been removed.

HB 476, AN ACT amending Section 64.350 of the Kentucky Revised Statutes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 64.350 of the Kentucky Revised Statutes is amended to read as follows:

In counties having a population of seventy-five thousand or more, the salaries of the clerks of the respective courts thereof, of sheriffs and of jailers and of their deputies and all necessary office expenses, including the equipping, furnishing, maintaining and operation of said offices, shall be paid out of the State Treasury in amounts not to exceed seventy-five per cent of the fees collected by said officers respectively, and received into the Treasury; and twenty-five per cent of the fees collected by said officers respectively and received into the State Treasury shall be paid annually in the manner provided by law for the payment of other claims against the state to the fiscal courts of said respective counties. Said amount of twenty-five per cent of said fees collected by said officers respectively during each calendar year shall be paid to the fiscal courts of the respective counties by April 1 of each year succeeding the calendar year during which said fees were received by the Department of Finance.

At the conclusion of the term of said officers of a county, any balance in the State Treasury representing the difference between the total fees collected and paid into the State Treasury by said officers during their term and the amounts paid to them for salaries and expenses and the amounts paid annually to the fiscal court of that county shall be paid to the fiscal court of that county.

HR 32, A JOINT RESOLUTION directing the Legislative Research Commission to make a study of mosquito-control programs.

WHEREAS, expenditures of many thousands of dollars have been made and are being made each year by the Commonwealth of Kentucky for the temporary relief of persons and animals in several mosquito-infested areas of this Commonwealth;

WHEREAS, the spraying of these mosquito-infested areas affords only temporary relief of these areas;

WHEREAS, the swarms of salt-marsh and culex mosquitos in these infested areas are spreading to wider areas each year and constitute a serious menace to the health and welfare of a large section of the Commonwealth of Kentucky; and

WHEREAS, the General Assembly of the Commonwealth of Kentucky recognizes a need for formulating a program to bring about the permanent eradication of this mosquito menace, while at the same time continuing temporary relief to mosquito-infested areas;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Legislative Research Commission is hereby empowered and directed to make a study of various methods employed by other states in organizing, financing and operating mosquito-control and mosquito-eradication programs.

Section 2. That the Legislative Research Commission in this endeavor be requested to communicate with the proper agencies of various states in which such programs are now operating.

Section 3. That the Legislative Research Commission formulate and present to the 1962 General Assembly a report of its findings and recommendations for mosquito-control and mosquito-eradication programs within the Commonwealth of Kentucky, including plans for joint financing of such programs by local, state and federal funds.

Section 4. That the sum of five thousand dollars be appropriated out of the general fund to the Legislative Research Commission for the purpose of making this study.

HB 351, AN ACT relating to alcoholic beverages.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Any person between eighteen and twenty-one years of age who attempts to purchase, purchases or possesses any alcoholic beverage shall be fined not less than ten nor more than one hundred dollars.

Section 2. Any person other than a licensee who purchases for or delivers any alcoholic beverage to a person under twenty-one years of age shall be fined not less than twenty-five nor more than one hundred dollars.

Committee on Rules reported **HB 280**, **HB 394** and **SB 86** with the expression of opinion that the same should pass with committee amendments. Read at length for the first time and ordered placed in the Calendar.

HB 280, AN ACT relating to the change of venue of civil actions in circuit courts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 452.010 of the Kentucky Revised Statutes is amended to read as follows:

(1) The parties to any civil action in a circuit court may have an order entered in that action directing its removal to any other circuit court specified and agreed to by them.

(2) Any party to a civil action triable by a jury in a circuit court shall be granted a change of venue upon a showing of one or more of the following grounds:

(a) An opposing party has undue influence over a substantial number of residents of the county eligible for service upon a circuit court petit jury in that county.

(b) An odium attaches to the applicant, or to his cause of action or defense, because of local prejudice;

(c) The county is a party to the suit; or,

(d) The convenience of the witnesses or the ends of justice would be promoted by the change.

Section 2. Section 452.020 of the Kentucky Revised Statutes, is amended to read as follows:

An application for a change of venue shall be made within twenty days after the service by or upon the party desiring the change after the first pleading which creates an issue of fact in the action. At least ten days notice of the making of an application for a change of venue shall be given to all parties to the action except those who are in default and said notice shall be served and filed as provided in the Rules of Civil Procedure.

Section 3. Section 452.030 of the Kentucky Revised Statutes is amended to read as follows:

Application for a change of venue shall be made by motion, supported by the affidavit of the party and the affidavits of at least two persons qualified for circuit court petit jury service in the county in which the action is pending. The adverse party may file affidavits controverting the grounds relied upon for the change of venue. The court may also hear other evidence for or against the application and shall exercise a sound discretion in deciding the question.

Section 4. Section 452.050 of the Kentucky Revised Statutes, is amended to read as follows:

A change of venue shall be made to the most convenient circuit court, determined as follows:

(1) If the county from which the change of venue is to be taken has three or more adjoining and contiguous counties, the court shall prepare a list of all such adjoining counties, and the parties shall, within the next two days, alternately, strike off the names of one

county each until the name of only one county is left, the moving party striking first, and the action shall be transferred to the circuit court of that county.

(2) If the county from which the change of venue is to be taken has less than three adjoining and contiguous counties it shall be the duty of the court to add a sufficient number of non-adjoining and non-contiguous counties to the list so that hte names of three counties will be on that list. In determining the non-adjoining and non-contiguous counties to be added to the list, the court shall add to said list the names of counties in which the county seats are the closest, as measured along improved and traveled main highways, to the county seat of the county from which the change of venue is being sought, in that respective order.

(3) If a change of venue has previously been granted in the action, the name of the county in which the action originated shall not be included on the list referred to in subsections (1) and (2), above, and if the exclusion of that county results in less than three counties remaining on the list, the provisions of subsection (2), above, shall apply.

Section 5. Section 452.060 of the Kentucky Revised Statutes is amended to read as follows:

When a change of venue is granted the court shall enter an order which shall designate the circuit court of the county to which the action is transferred, shall allow the moving party at least ten days within which to pay the costs of the change, and shall fix the last day upon which such costs may be paid. The clerk of the court in which the action is pending shall transmit all the papers and a transcript of all proceedings to the clerk of the court to which the venue is changed as soon as the costs of the change are paid.

Section 6. Section 452.070 of the Kentucky Revised Statutes is amended to read as follows:

The order of change of venue shall be void and the moving party shall not be entitled to a change of venue unless the costs of such change are paid wthin the time prescribed therefor in the order changing the venue of the action.

Section 7. Section 452.080 of the Kentucky Revised Statutes is amended to read as follows:

The clerk of the court to which the venue is changed shall receive and give a receipt for all papers transmitted to him by the clerk of the court from which the venue has been changed, shall docket the action in its order among the other causes pending in that court, and the action shall be tried or otherwise disposed of in the same manner as if it had originated in the circuit court of the county to which it has been removed.

HB 394, AN ACT relating to advertising.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act unless the context otherwise requires:

(1) "Person" means any person, firm, corporation or association or any agent or employe thereof;

(2) "Publish" means to bring to the attention of the public by means of material printed in or on a newspaper, magazine, book, notice, circular, pamphlet, letter, handbill, poster, bill, sign, placard, card, label, or to communicate with the public by means of radio, television or other wireless system;

(3) "Worth" or "value" means the prevailing market price at the time and in the locality where the advertisement is published.

Section 2. No person shall publish or cause to be published an advertisement that contains any assertion, representation or statement of fact which is untrue, deceptive, or misleading for the purpose of inducing a sale of, disposal of, or contract with reference to, or increase in the consumption of property, services, loans or employment.

Section 3. (1) An advertisement shall be deemed untrue, deceptive, or misleading that uses one or more words or figures that fraudulently convey to a reader or listener an impression that the property, services, or other things so advertised are of a greater value or worth more, or were previously sold or offered for sale at a price higher, than the price quoted in the advertisement, or that is part of a plan or scheme with the intent, design or purpose not to sell the property, services, or other things so advertised at the price stated therein or otherwise communicated, or with intent not to sell at all.

(2) In determining whether an advertisement is untrue, deceptive, or misleading, there shall be taken into account, among other things, not only representations made or suggested by the statement, words, figures, devices, designs, sounds, or any combination thereof, but also the extent to which the advertisement fails to reveal facts material in the light of such representations or material with respect to consequences that may result from the use of the property or services to which the advertisement relates, under the conditions prescribed in the advertisement or under such conditions as are customary or usual.

Section 4. No state board or commission shall make rules or regulations limiting or restricting the right to advertise. The General

Assembly shall have the exclusive rights to regulate any advertising where the need of such regulations is demonstrated to be in the public interest.

Section 5. Whenever the Attorney General or any other person believes that any person has engaged in any act or practice prohibited by Section 2 of this Act he may bring an action in the name and on behalf of the people of the Commonwealth of Kentucky to enjoin such person from continuing the act or practice complained of. In such action, an order may be entered awarding the relief applied for or so much thereof as the court may deem proper, pending a trial of the issue.

Section 6. Any person, who willfully violates any provision of this Act, shall be fined not more than five hundred dollars, or imprisoned for not more than sixty days, or both.

Section 7. Section 434.270, subsection (2) of section 311.470, subsection (6) of section 317.210, and subsection (3) of section 320.300 of the Kentucky Revised Statutes are repealed.

SB 86, AN ACT relating to public utilities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 278.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 278.010 to 278.450, and in KRS 278.990, unless the context otherwise requires:

(1) "Corporation" includes private, quasi public and public corporations, associations, joint-stock companies and business trusts.

(2) "Person" includes natural persons, partnerships, corporations, and two or more persons having a joint or common interest.

(3) "Utility" means any person except a city, who owns, controls, or operates or manages any facility used or to be used for or in connection with:

(a) The generation, production, transmission or distribution of electricity to or for the public, for compensation, for lights, heat, power or other uses;

(b) The production, manufacture, storage, distribution, sale or furnishing of natural or manufactured gas, or a mixture of same, to or for the public, for compensation, for light, heat, power or other uses;

(c) The transporting or conveying of gas, crude oil or other fluid substance by pipe line to or for the public, for compensation;

(d) The diverting, developing, pumping, impounding, distributing or furnishing of water to or for the public, for compensation;

(e) The transmission or conveyance over wire, in the air or otherwise, of any message by telephone or telegraph for the public, for compensation; or

(f) The transportation of persons or property by street, suburban or interurban railway for the public, for compensation.

(4) "Facility" includes all property, means and instrumentalities owned, operated, leased, licensed, used, furnished or supplied for, by, or in connection with the business of any utility.

(5) "Rate" means any individual or joint fare, toll, charge, rental or other compensation for service rendered or to be rendered by any utility, and any rule, regulation, practice, act, requirement or privilege in any way relating to such fare, toll, charge, rental or other compensation, and any schedule or tariff or part of a schedule or tariff thereof.

(6) "Service" includes any practice or requirement in any way relating to the service of any utility, including the voltage of electricity, the heat units and pressure of gas, the purity, pressure and quantity of water, and in general the quality, quantity and pressure of any commodity or product used or to be used for or in connection with the business of any utility.

(7) "Commission" means the Public Service Commission of Kentucky.

(8) "Commissioner" means one of the members of the commission.

Orders of the Day

HB 285 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected. Representative Lowman moved to amend **HB 285** as follows: "Amend printed copy of **HB 285** on page 1, section 1, line 1 by inserting after the word "any," the word "minor." Agreed.

On the roll call, the vote was yeas 85—Alexander, Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Earl Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cornett, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Dowell, Ellis, Farmer, Fern, Fields, Fitzpatrick, Ford, Garner, Griffin, Haley, Hampton, Hardwick, Harris, Hays, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, L. F. Morgan, Murphy, Nichols, Nolan, Osborn, Ostertag, Osting, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Spurrier, Stacy, Steiger, Stidham, Tanner, Treas, Tucker, G. T. White, J. E. White, Wood, Young. Nays 0. **HB 285** was passed and title agreed to.

HB 242 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Fitzpatrick moved to amend **HB** 242 as follows: "Amend printed copy of **HB** 242 on page 9, section 8, line 6 by deleting "General Expenditure Fund" and inserting in lieu thereof "Rural Road Highway Department."

On the roll call, the vote was yeas 54—Burress, C. C. Carter, Earl Carter, Castle, Chumbler, Cornett, Cottengim, Cowherd, Crecelius, Davis, Dexter, Dobyns, Dowell, Ellis, Faulkner, Fern, Fields, Fitzpatrick, Ford, Hahn, Haley, Hall, Hardin, Harris, Hays, Hislope, Hopkins, Isler, Lankford, Lyon, Miller, Moorman, Fred Morgan, L. F. Morgan, Murphy, Neel, Nolan, Ostertag, Osting, Qualls, Quinn, Rayburn, Reynolds, Robinson, Virgil Smith, Spurrier, Stacy, Steiger, Stidham, Treas, Tucker, G. T. White, J. E. White, Young. Nays 25—Alexander, Bates, Baumgardner, Brizendine, Buckman, Childress, Cook, Dean, Denham, Garner, Henry, Hill, Hinkle, Houtchens, Irick, Moloney, Nichols, Osborn, Peniston, Rausch, Ray, Render, Tanner, Wathen, Wood. The amendment to **HB** 242 was adopted.

On the roll call, the vote was yeas 32—Burress, Earl Carter, Caudill, Cornett, Cottengim, Crecelius, Davis, Dexter, Dobyns, Fitzpatrick, Hahn, Haley, Hall, Harris, Hays, Henry, Hopkins, Isler, Lankford, Miles, Murphy, Neel, Nolan, Ostertag, Osting, Qualls, Quinn, Reynolds, Stacy, Steiger, Stidham, Tucker. Nays 43—Alexander, Bates, Baumgardner, Brizendine, Carter, (Charles C.), Castle, Childress, Chumbler, Clark, Colley, Cook, Cowherd, Dean, Denham, Ellis, Ford, Garner, Hardin, Hill, Hinkle, Hislope, Houtchens, Irick, Lyon, Ben Martin, C. H. Martin, Moloney, Moorman, Nichols, Osborn, Peniston, Ray, Rayburn, Render, Roberts, Robinson, Slusher, Albert C. Smith, Tanner, Wathen, Glen T. White, John E. White, and Wood. **HB** 242 was rejected.

Representative Fitzpatrick moved that the action on **HB** 242 be postponed indefinitely. Agreed.

HB 279 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Wathen moved to amend **HB** 279 as follows: "Amend printed copy of **HB** 279 on page one and two, section one, lines 14, 15, and 16, by striking all of lines 13, 14, 15 and 16 and substituting in lieu thereof the following: "In all criminal proceedings, upon the motion of either party the court shall order the reporter to make a full and accurate transcript and duplicate copy of his notes.

The original shall be filed among the papers to be used in making up the bill of exceptions to the Court of Appeals. The duplicate copy shall be filed with the papers, and remain in the office of the clerk of the court as a public record." Agreed.

On the roll call, the vote was yeas 66—Bates, Baumgardner, Brizendine, C. C. Carter, Castle, Childress, Clark, Cole, Colley, Cook, Cottengim, Cowherd, Crecelius, Dean, Dexter, Dobyns, Dowell, Ellis, Farmer, Fern, Fields, Fitzpatrick, Ford, Hahn, Haley, Hall, Hampton, Hardin, Harris, Hays, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lyon, Miles, Miller, Moorman, Fred Morgan, L. F. Morgan, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Peniston, Quinn, Ray, Rayburn, Render, Roberts, Robinson, Slusher, J. D. Smith, Virgil Smith, Stidham, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nay 0. **HB 279** was passed and the title agreed to.

HB 376 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 67—Bates, Baumgardner, Brizendine, C. C. Carter, Castle, Childress, Chumbler, Clark, Cole, Colley, Cook, Cottengim, Cowherd, Crecelius, Dean, Denham, Dexter, Dobyns, Farmer, Fern, Fields, Fitzpatrick, Ford, Garner, Griffin, Haley, Hall, Hill, Hinkle, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Ben Martin, Miles, Miller, Moorman, Fred Morgan, L. F. Morgan, Murphy, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Peniston, Quinn, Ray, Rayburn, Render, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Tanner, Treas, Tucker, G. T. White, J. E. White, Wood. Nays 5 – Caudill, Ellis, Hardin, Lyon, Young. **HB 376** was passed and the title agreed to.

HB 389 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 72—Alexander, Bates, Baumgardner, Brizendine, Buckman, Earl Carter, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Cottengim, Cowherd, Davis, Dean, Denham, Dexter, Dobyns, Dowell, Ellis, Farmer, Fern, Fields, Fitzpatrick, Ford, Garner, Hahn, Haley, Hampton, Hardin, Hardwick, Hays, Henry, Hill, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, L. F. Morgan, Murphy, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Reynolds, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Tanner, Treas, Tucker, Wathen,

G. T. White, J. E. White, Wood. Nays 0. **HB 389** was passed and the title agreed to.

HB 336 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected. Representative Ray moved to amend **HB 336** as follows: "Amend printed copy of **HB 336** on page 1, section 1 Sub (2), line 9 by striking the word "low" and substituting the word "law". Agreed.

On the roll call, the vote was yeas 77—Alexander, Bates, Baumgardner, Brizendine, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Cottengim, Cowherd, Davis, Dean, Denham, Dexter, Dobyns, Dowell, Ellis, Farmer, Fern, Fields, Fitzpatrick, Ford, Garner, Hahn, Haley, Hall, Hampton, Hardin, Henry, Hill, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, L. F. Morgan, Murphy, Neel, Nichols, Nolan, Osborn, Ostertag, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Reynolds, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Tanner, Treas, Tucker, G. T. White, J. E. White, Wood, Young. Nays 0. **HB 336** was passed and the title agreed to.

HB 348 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 76—Baumgardner, Brizendine, Buckman, C. C. Carter, Earl Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Paul Cornett, Cottengim, Cowherd, Crecelius, Davis, Denham, Dexter, Dobyns, Farmer, Faulkner, Fern, Fields, Fitzpatrick, Ford, Garner, Hahn, Haley, Hall, Hampton, Hardin, Hays, Henry, Hill, Hislope, Houtchens, Hopkins, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moorman, Fred Morgan, L. F. Morgan, Murphy, Neel, Nichols, Ostertag, Osting, Peniston, Qualls, Quinn, Ray, Rayburn, Reynolds, Roberts, Robinson, A. C. Smith, Virgil Smith, Stacy, Steiger, Stidham, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 4—Alexander, Ellis, Nolan, Render. **HB 348** was passed and the title agreed to.

HB 340 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected. Representative Ray moved to adopt Committee substitute on **HB 340**. Agreed.

On the roll call, the vote was yeas 82—Alexander, Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Earl Carter, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Paul Cornett, Cottengim, Cowherd, Crecelius, Dean, Denham, Dexter, Dobyns, Dowell, Ellis, Farmer, Fern, Fields, Ford, Garner, Hahn, Haley, Hall, Hampton, Hardin, Harris, Hays, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moorman, Fred Morgan, L. F. Morgan, Murphy, Nichols, Nolan, Ostertag, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Reynolds, Roberts, Robinson, Slusher, A. C. Smith, Virgil Smith, Spurrier, Stacy, Steiger, Stidham, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 0. **HB 340** was passed and the title agreed to.

HB 135 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Ray moved to amend **HB 135** as follows: "Amend printed copy of **HB 135** on page 1, section 1, line 3 and 4 by deleting lines 3 and 4 and substituting the following: "In the collection of sanitation district taxes, the sheriff shall be entitled to a fee representing the reasonable cost of same, but in no event in excess of four per cent of the total taxes collected by him." Agreed.

On the roll call, the vote was yeas 56—Bates, Baumgardner, Earl Carter, Castle, Chumbler, Cole, Cottengim, Cowherd, Davis, Dexter, Dobyns, Dowell, Ellis, Farmer, Fern, Fields, Fitzpatrick, Haley, Hampton, Hardin, Henry, Houtchens, Hopkins, Irick, Isler, Lankford, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Fred Morgan, L. F. Morgan, Murphy, Nolan, Ostertag, Peniston, Quinn, Ray, Rayburn, Reynolds, Roberts, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Spurrier, Stacy, Steiger, Stidham, Tanner, Tucker, G. T. White, Wood, Young. Nays 19—Brizendine, C. C. Carter, Childress, Clark, Cook, Dean, Denham, Faulkner, Ford, Garner, Harris, Hays, Hill, Hislope, Neel, Osborn, Qualls, Render, Robinson. **HB 135** was passed and the title agreed to.

Introduction of Bills and Resolutions

HB 499, by Representative Osborn: AN ACT relating to urban service districts.

HB 500, by Representative Qualls: AN ACT to prohibit any person, firm or corporation, not directly involved in a labor strike or lockout, recruiting or securing or offering to secure employment for persons to take the places of employes where a labor strike or a lockout exists; and providing for legally established employment service.

HR 101, by Representatives Hampton and Isler:

HR 101, A RESOLUTION in honor of Reuben D. Petrie and Maude Roper Petrie.

WHEREAS, the House of Representatives has just been informed of the tragic death of Reuben D. Petrie and his wife, Maude Roper Petrie; and

WHEREAS, Mr. and Mrs. Petrie have distinguished themselves as owners and publishers of the Todd County Standard; and

WHEREAS, this House wishes to express their sympathy;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That when the House of Representatives adjourns tonight it does so in memory of Reuben D. Petrie and Maude Roper Petrie.

Section 2. That the Clerk of the House of Representatives be directed to forward a copy of this Resolution to the family of Mr. and Mrs. Petrie.

Representative Isler moved the adoption of **HR 101**. Agreed.

Report on Enrolled Bills

Committee on Enrollment reported that **SB 155** and **SB 91** had been examined and found correctly enrolled. **SB 155** and **SB 91** read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Governor.

Representative Ray moved to adjourn until 12:00 Noon, March 8. Agreed.

FIFTY-FIRST LEGISLATIVE DAY

TUESDAY, MARCH 8, 1960

The House was called to order by the Speaker.

Invocation by the Reverend Harry Wood of the Methodist Church of Milton, Kentucky.

The roll was called. All present except Representatives Farmer, Fields, Hill, Parrish, Reynolds and Robinson, who were granted leave of absence on motion by Representative Lyon.

Reading of Journal for March 7, 1960, dispensed with and the same approved on motion of Representative Isler.

Motions, Petitions and Communications

HR 102, by Representative Childress:

HR 102, A RESOLUTION extending an invitation to the Reverend C. C. Richardson to open the session of the House of Representatives with prayer on March 15, 1960.

Be it resolved by the House of Representatives of the Commonwealth of Kentucky:

That the Reverend C. C. Richardson, Pastor of St. John A. M. E. Church in Frankfort, Kentucky, be and is hereby invited to open the session of the House of Representatives on March 15, 1960 with prayer.

Representative Childress moved the adoption of **HR 102.** Agreed.

HR 100, by Representative Osborn:

HR 100, A CONCURRENT RESOLUTION opposing rescission of the Connally Amendment to the World Court Resolution of August 2, 1946.

WHEREAS, in 1945 the Senate of the United States, without adequate debate, ratified the pact known as the Charter of the United Nations; and

WHEREAS, the attendant publicity featured two key points in this charter: (1) to save succeeding generations from the scourge of war and (2) to deny the right of the United Nations to intervene in matters which are essentially within the domestic jurisdiction of any state; without which, the charter would not have been accepted by the United States; and

WHEREAS, on August 2, 1946, the Senate of the United States ratified the United Nations World Court Resolution but in so doing, in line with our system of constitutional government, provided that the United States would not accept compulsory jurisdiction of the International Court of Justice in matters which are essentially within the domestic jurisdiction of the United States as determined by the United States, the last six words being known as the Connally Amendment; and

WHEREAS, since May 1, 1958, there has been a subtle campaign by internationalists of various types aimed at rescission of the Connally Amendment; and

WHEREAS, the rescission of the Connally Amendment would expose the United States to serious juridical dangers before an international court of fifteen judges, only one of whom can be from the United States; and

WHEREAS, communist nations have judges on the court but do not and will not accept its jurisdiction; and

WHEREAS, the damages inherent in such rescission would expose various United States domestic issues to judicial interpretation of such international tribunal; and

WHEREAS, the compulsory jurisdiction of such tribunal would endanger not only the constitutional powers of federal agencies as delegated in the Constitution of the United States but also those powers reserved to the states and to the people; and

WHEREAS, United States Senate Resolution 94 would, by repealing the Connally Amendment, remove that safeguard against usurpations by an international judicial tribunal;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. Rescission of the Connally Amendment would jeopardize the Constitution of the United States and impair the powers reserved to the states and to the people; and

Section 2. Copies of this resolution be sent to the President of the United States, The President of the Senate of the United States, the Speaker of the House of Representatives, and all members of the Kentucky delegation in the Congress.

Representative Osborn moved the adoption of **HR 100.** Agreed.

HR 103, by Representatives Ostertag and Murphy:

HR 103, A RESOLUTION commending the City of Fort Thomas.

WHEREAS, Fort Thomas has an outstanding record for efficient and economical municipal government; and

WHEREAS, the progressive administration of the various city departments and agencies has caused the City of Fort Thomas to be ranked as one of the leading cities in the Commonwealth and a model for other cities; and

WHEREAS, the city officials have recently caused a publication informing the citizenry of the operation and progress of the city to be issued; and

WHEREAS, such achievement should not go unrecognized,

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the City of Fort Thomas be, and it hereby is, commended for its distinguished record in the field of municipal administration.

Section 2. That copies of this Resolution be forwarded by the Clerk of the House of Representatives to:

F. B. Stegeman, Mayor; Donaldson Brown, Charles D. Manthey, W. Bruce Ross, Robert S. Smalley, Howard W. Wendling and Dr. Charles E. Daniels, Councilmen; Charles H. Kuhn, City Engineer; Mrs. Adele B. King, City Clerk; Louis E. Arnold, City Attorney; Arthur R. Heckerman, Police Judge; Richard H. Quehl, Police Chief; Ray W. Tatman, Fire Chief; B. X. Sadosky, Playground Superintendent.

Representative Ostertag moved the adoption of **HR 103.** Agreed.

HR 99, by Representatives Render, Moorman and Spurrier:

HR 99, A JOINT RESOLUTION requesting the Department of Conservation, Division of Parks of the Commonwealth of Kentucky to establish and maintain a State Park at Falls of Rough.

WHEREAS, there has recently been completed by the Government of the United States a flood control and water storage dam on Rough River at Falls of Rough which will impound the waters of Rough River sufficient to cover an area of 1600 acres at normal stage, and,

WHEREAS, The Falls of Rough reservoir located, for the most part, in Hardin and Grayson counties, is easily accessible to and will provide a recreation area for a great number of Kentuckians living in the neighboring counties of Ohio, Daviess, Hancock, Butler, Edmonson, Warren, Hart, Breckinridge and Hardin and will be of great benefit to the State of Kentucky, and,

WHEREAS, the Falls of Rough Reservoir is located in beautifully scenic rolling hills and woodlands and will offer such recreational facilities as camping, fishing, boating and swimming, and,

WHEREAS, there are no similar recreation facilities available to the residents of this area and no parks of any kind within a radius of seventy-five miles of Falls of Rough.

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Department of Conservation, Division of Parks of the Commonwealth of Kentucky be, and it is requested to establish and maintain a State Park at Falls of Rough.

Section 2. That the Clerk of the House of Representatives is directed to forward authenticated copies of this resolution to the Commissioner of the Department of Conservation, and the Director of the Division of State Parks.

Representative Render moved the adoption of **HR 99.** Agreed.

HR 104, by Representatives A. C. Smith, Robinson, Ben Martin, L. F. Morgan, Brizendine, J. D. Smith, Denham, V. Smith, Ellis, Cornett, Edmunds, C. C. Carter, Hays, Clark, Osborn, Irick, Houtchens, Slusher, Cole, Alexander, Nolan, Bates, Barton, Lovins, Hahn, Miller, Young, Roberts, Caudill, Lyon and Hardin:

HR 104, A RESOLUTION requesting the Superintendent of Public Instruction to forthwith outline legislation for passage during the current session that will safeguard the lawful and proper distribution and expenditure of state public school funds.

WHEREAS, the current session of the Legislature is scheduled to end within two weeks, or specifically on March 18th next, and

WHEREAS, the House Committee to investigate the affairs of the Department of Education has had and will have insufficient time and opportunity to become fully advised of the educational situation and to recommend needed legislation, and

WHEREAS, there has been brought to the attention of the House of Representatives through the medium of private communication, the public press and the reports of the State Auditor, gross irregularities and unlawful practices on the part of district school boards and their superintendents in the handling, disbursement, expending and accounting for state funds appropriated for public school purposes, and

WHEREAS, the misuse of state public funds in an as yet undetermined number of school districts throughout this state gives use to grave and serious concern not only for our children whom we are striving to educate and to train but also because of the enormous sum of money involved considering the fact that more than 65% of the entire general fund of the state is earmarked for public school funds, and

WHEREAS, the present State Superintendent of Public Instruction is thoroughly familiar with the administration of the Department of Public Instruction having previously served a term of four years in that capacity and having had a lifelong experience in all fields of public school work and is, therefore, in a position to know of the application and effect of existing statutes relating to education and whether such existing laws are adequate and proper to safeguard the lawful and approved expenditure of state school funds and the need for the enactment of new statutes or the amendment, modification or repeal of such existing statutes as will insure such safeguards;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky:

Section 1. That the Superintendent of Public Instruction be, and he is hereby requested, to forthwith furnish to the House of Representatives an outline of such legislation, designed for passage during the current session as will safeguard the lawful and proper disbursement and expenditure of state public school funds.

Section 2. The Clerk of the House of Representatives is directed to deliver to the Superintendent of Public Instruction a copy of this resolution immediately upon its passage.

Representative A. C. Smith moved the adoption of **HR 104.** Agreed.

Representative Ben Martin requested that his name be withdrawn as co-sponsor of **HB 401.**

Representative Garner requested that his name be withdrawn as co-sponsor of **HB 350.**

Senate Message

Announcing passage of SR 48, **HR 94**, **HR 96**, **HR 21**, **HB 300**, **SB 158**, **SB 165**, **SB 168**, **SB 171**, **SB 195**, **SB 223**, **SB 224**, **SB 225** and **SB 234.**

Report of Committees

Committee on Rules reported **HB 463**, **HR 79** and **HB 390** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 463, AN ACT relating to rural electric and telephone cooperatives.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 279.380 of the Kentucky Revised Statutes is amended to read as follows:

(1) The business of a cooperative shall be managed by a board of not less than five trustees, each of whom shall be a member of the cooperative, or of another cooperative which is a member thereof. The bylaws shall prescribe the number of trustees, their qualifications, other than those prescribed in this section, the manner of holding meetings of the board of trustees and of electing successors to trustees who shall resign, die, or otherwise be incapable of acting. The bylaws may also provide for the removal of trustees from office and for the election of their successors. Trustees shall not receive any salaries for their services as trustees and, except in emergencies, shall not receive any salaries for their services in any other capacity without the approval of the members. The bylaws may, however, prescribe a fixed fee for attendance at each meeting of the board of trustees and may provide for reimbursement of actual expenses of attendance.

(2) The trustees of a cooperative named in any articles of incorporation, consolidation, merger, conversion or combined consolidation and conversion shall hold office until the next annual meeting of the members and until their successors are elected and qualify. At each annual meeting or, in case of failure to hold the annual meeting as specified in the bylaws, at a special meeting called for that purpose, the members shall elect trustees to hold office until the next annual meeting of the members, except as otherwise provided in KRS 279.310 to 279.600. Each trustee shall hold office for the term for which he is elected and until his successor is elected and qualifies.

(3) The trustees shall be elected annually or as provided for in the bylaws, but no trustee shall be elected for a longer term than three years.

(4) A majority of the board of trustees shall constitute a quorum.

(5) The board of trustees may exercise all of the powers of a cooperative not conferred upon the members by KRS 279.310 to 279.600, or its articles of incorporation or bylaws.

(6) The officers of a cooperative shall consist of a president, vice-president, secretary and treasurer, who shall be elected annually by and from the board of trustees. When a person holding any such office ceases to be a trustee he shall cease to hold such office. The office of secretary and of treasurer may be held by the same person. The board of trustees may also elect or appoint such other officers, agents, or employes as it deems necessary or advisable and shall prescribe their powers and duties. Any officer may be removed from office and his successor elected in the manner prescribed in the bylaws.

Section 2. Whereas, some trustees will be elected before the usual effective date of legislation, an emergency is declared to exist and this Act shall become effective upon its passage and approval by the Governor.

HR 79, A JOINT RESOLUTION authorizing and directing payment of a claim of the estate of Robert D. Markel.

WHEREAS, Robert D. Markel of Evansville, Indiana died before final settlement of taxes that were withheld by the Commonwealth in excess of his correct tax liability; and

WHEREAS, such excess taxes amount to $2,020.94 and have never been paid to Robert D. Markel or to his estate.

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Commissioner of Finance is authorized and directed to draw a warrant on the General Expenditure Fund in the amount of $2,020.94 payable to the Estate of Robert D. Markel which shall be in full satisfaction of all claims by the said estate against the Commonwealth arising out of taxes withheld in excess of the correct tax liability of Robert D. Markel.

HB 390, AN ACT relating to wages and hours.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 337.020 of the Kentucky Revised Statutes is amended to read as follows:

Every firm, individual, partnership or corporation for pecuniary profit doing business in this state shall, as often as semimonthly, pay to each of its employes all wages or salary earned by him to a day not more than eighteen days prior to the date of that payment. Any employe who is absent at the time fixed for payment, or who, for any other reason, is not paid at that time, shall be paid thereafter at any time upon six days' demand. Any employe who leaves or is discharged from his employment shall be paid in full following his dismissal or voluntary leaving at any time upon three days' demand. No firm, individual, partnership or corporation subject to this section shall, by any means, secure exemption from it. Every such employe shall have a right of action against any such firm, individual, partnership or corporation for the full amount of his wages due on each regular pay day.

Section 2. Section 337.540 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every public authority, before advertising for bids, shall include with the schedule of wages a provision that no laborer, workman, mechanic, helper, assistant or apprentice shall be permitted to work more than eight hours in one calendar day, which shall constitute a legal day's work; nor more than forty hours in one week, which shall constitute a legal work week, except in cases of emergency or necessity. This limitation of work hours shall be made a part of the specifications for the work and printed on bid blanks where the work is done by contract and shall be incorporated as a part of each contract.

(2) No laborer, workman, mechanic, helper, assistant or apprentice shall be permitted to work more than eight hours in any one calendar day, nor more than forty hours in any one week, except in cases of emergency or necessity, on the construction of public works which is being constructed under contract with any public authority.

(3) Any laborer, workman, mechanic, helper, assistant or apprentice worked in excess of eight hours per day or forty hours per week shall be paid not less than one and one-half times the prevailing rate of wages as fixed under this chapter for all overtime worked, and each contract with any public authority for the construction of public works shall so provide.

(4) The determination of exception provided in this section of when an emergency exists or necessity requires shall be made by the public authority letting the contract.

Committee on Rules reported **HB 409** with the expression of opinion that the same should pass by way of committee substitute. Read at length for the first time and ordered placed in the Calendar.

Committee Substitute for **HB 409,** AN ACT relating to school districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 160.210 of the Kentucky Revised Statutes is amended to read as follows:

(1) In independent school districts the members of the school board shall be elected from the district at large. In county school districts the members shall be elected by the voters of the entire district, one from each division, effective July 1, 1960.

(2) The board of education of each county school district shall divide its district into five divisions as nearly equal in population and containing integral voting precincts insofar as practicable.

(3) No change shall be made in the boundary lines of the present divisions of the county school district, except in case of merger of districts or change in territory due to annexation. Any changes made in division boundary lines shall be such as will make divisions as nearly equal in population and containing integral voting precincts

insofar as is practical. No change may be made in division boundary lines more frequently than five years after the last change in any division line, except in case of merger of districts or change in territory due to annexation. A record of all changes in division lines shall be kept in the office of the county board of education, and shall be published in a newspaper of general circulation. A copy of the newspaper in which the notice is published shall be filed with the Superintendent of Public Instruction within ten days following its publication. No change shall be made in the boundary of any division after January 1 prior to the date of which a member of the school board is to be elected from any division.

Section 2. Section 160.260 of the Kentucky Revised Statutes is amended to read as follows:

(1) Effective July 1, 1960, in county school districts the candidates for election to the county board of education shall be listed on the ballot by divisions. The voters may vote for only one candidate in each division. The legally eligible candidate in each division receiving the highest number of votes cast in the entire district shall be declared elected. No person may be a candidate in more than one division of the county school district at the same time.

(2) In independent school districts each voter may vote for as many candidates as there are members to be elected by making a cross in the square opposite the name of each candidate for whom he wishes to vote, and the ballot shall show the number of board members to be elected. The candidates, in number equal to the number of members to be chosen, who have the highest number of votes shall be declared elected.

Committee on Rules reported **SB 136** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 136, AN ACT relating to sewer construction district and an alternate method of financing same.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Any sewer construction district created in the manner provided in KRS 76.300 to 76.325 may, if the commissioners of such district deem it advisable, use the authority and procedures granted to incorporated municipalities by KRS 107.010 to 107.220.

When applied to sewer construction districts, terms used in KRS 107.010 to 107.220 shall be construed to mean the following: "city" means "district"; "ordinance" means "resolution"; "clerk" means "secretary of district"; "governing body" means "district commissioners"; "mayor or chairman of board of directors" means "chairman of the district".

Section 2. The provisions of Section 1, of this Act shall not repeal or reduce any existing rights or duties of sewer construction districts or the commissioners thereof, but shall constitute an additional method of financing which may be used in conjunction with KRS 76.300 to 76.385, or may be an alternate method.

Committee on Rules reported **HB 485** with the expression of opinion that the same should pass by way of committee substitute. Read at length for the first time and ordered placed in the Calendar.

Committee Substitute for **HB 485**, AN ACT relating to the Executive Mansion and the Old Governor's Mansion.

WHEREAS, both the Senate and the House of Representatives have expressed concern over the condition and the furnishings of the Executive Mansion and appointed committees to inspect the Mansion and recognizing the need for providing continuous attention to the appearance and utility of the official residence of the Chief Executive of the Commonwealth;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Chief Justice of the Court of Appeals, with the concurrence of the President Pro Tem of the Senate and the Speaker of the House of Representatives appoint a committee of five prominent citizens to provide continuing attention to the maintenance, furnishings and repairs of the Executive Mansion.

Section 2. That the committee so appointed include the first vice-president of the Kentucky Historical Society and the remaining four members be residents of Franklin County.

Section 3. That the committee herein established examine the Executive Mansion at least once each year and that the committee supervise the maintenance of a current inventory of all furnishings in the Executive Mansion, such inventory to be maintained by the Department of Finance.

Section 4. That the committee recommend, from time to time, on the need for furnishings, maintenance or repair of the Executive Mansion and that the Department of Finance shall, from funds available, take such action as is recommended.

Section 5. That the committee provide coordination and make arrangements for an orderly transition between out-going and in-coming Chief Executives.

Section 6. That the committee perform the same functions required in relation to the Executive Mansion for the Old Governor's Mansion in so far as they are applicable.

Committee on Rules reported **HB 349, HB 356, HB 449, HB 460, HB 491, HB 328, HR 88, SB 202, HB 493, HB 444, HB 492, HB 494, HB 495, HB 496** and **HB 498** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 349, AN ACT relating to the organization of county children's bureaus.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 200.140 is hereby amended to read as follows:

(1) The fiscal court of any county may establish a county children's bureau. When the fiscal court has authorized the establishment of such a bureau by an order duly made and entered, the county judge shall, with the approval of the fiscal court, appoint nine representative citizens of the county who have demonstrated an interest in child welfare, three of whom shall be women, who shall constitute the children's bureau of said county. The original appointees shall be appointed for terms as follows: two each for one year, two each for two years, two each for three years, and three each for four years. At the expiration of these initial terms each appointment thereafter shall be for a four year term. In no event shall a member serve more than two successive full four year terms. Each county bureau shall annually elect a chairman and a secretary from among its members, meet at least monthly and may hold such special meetings as are called by the chairman or by a majority in writing, and majority shall constitute a quorum for the purposes of transacting business.

(2) Members of the county bureau shall serve without compensation but may be reimbursed by the county for all necessary expenses incurred in the discharge of their official duties. The fiscal court shall provide funds for the establishment and maintenance of the county children's bureau and shall provide office space and equipment required for operation of said bureau.

Section 2. KRS 200.150 is amended to read as follows:

(1) The county children's bureau shall appoint an executive director who is fully qualified as a child welfare worker and shall serve so long as satisfactory service is rendered. The executive director shall receive a salary fixed by the bureau.

(2) The executive director may appoint and direct properly trained assistants, clerical staff, and institutional staff to such position as are authorized by the bureau, and all salaries and necessary expenses of the county children's bureau shall be paid from appropriations made by the fiscal court to the county bureau. The executive director shall carry out the policies as developed and recommended by the bureau.

(3) The county children's bureau is empowered to receive, invest, and disburse any and all gifts, grants, and bequests made for the benefit and the operation of the county bureau.

(4) The county children's bureau of two or more counties may, with the approval of their respective fiscal courts, unite in the employment of an executive director and staff; and, in the operation of such institutions, offices, and services as may be deemed necessary, the fiscal courts shall agree upon the part of the total expenses which each county shall bear, and in the procedure for the selection and removal of the director and staff, as herein provided.

(5) The county children's bureau may, from time to time, designate persons to serve for stated purposes and periods of time on such special committees as the bureau may deem expedient in the discharge of its duties.

Section 3. KRS 200.160 is amended to read as follows:

The duties of the bureau shall be as follows:

(1) Discover dependent and neglected children in the county, obtain for them benefits of the law, and provide for the care of those assigned as wards of the county by the county judge or juvenile commissioner;

(2) Administer the funds appropriated by the fiscal court, municipal government or derived from gifts, bequests, or grants for child welfare services in the county;

(3) Serve as probation and parole officers, if appointed by the county judge;

(4) Make such investigations and perform such other services pertaining to children as the fiscal court or the county judge directs. In no event shall any member or agent of the county children's bureau enter any home, family, school, or institution without the consent of the home or family, or of the persons in charge of the school or institution, except as ordered by the county judge.

(5) Assist the state child welfare workers in the administrative performance of their duties with reference to children, and perform such services and make such reports with reference thereto as they may request;

(6) Develop policies within the county with respect to the administration and scope of child welfare services;

(7) Recommend an annual budget and present monthly financial statements to the fiscal court; and

(8) Make an annual public report to the fiscal court setting forth specific recommendations as to the needs of children in the county and the present status of children in care.

Section 4. KRS 200.170 is amended to read as follows:

The county children's bureau shall keep a full record with reference to each child received into care to whom service has been extended or concerning whom an investigation has been conducted; but the names of such persons shall not be published in any newspaper or in any way given publicity, but shall be kept confidential.

Section 5. KRS 200.180 is amended to read as follows:

A full record of the proceedings and transactions of the county children's bureau shall be kept and shall be open for inspection at any time by the members of the fiscal court and by the state child welfare workers.

Section 6. KRS 200.190 is amended to read as follows:

Upon the date of effectiveness of this Act, the county judge in any county containing a children's bureau shall make appointments to the bureau under the terms and provisions of this Act.

Section 7. Section 200.200 of the KRS is repealed.

Section 8. Section 200.210 of the KRS is repealed.

Section 9. Section 200.230 of the KRS is repealed.

Section 10. Section 200.240 of the KRS is repealed.

HB 356, AN ACT relating to commitment for treatment of alcoholism.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 222.130 of the Kentucky Revised Statutes is amended to read as follows:

(1) Proceedings for the commitment, care, and treatment of any person alleged to be an alcoholic may be instituted by such person's husband, wife, child, mother, father, or by the county health officer of the county in which the person resides by filing with the clerk of the circuit court or with the clerk of the county court a petition for the trial and commitment of such person.

(2) Said petition shall allege that such person is an alcoholic, is a resident of the county in which the proceeding is initiated, and because of his alcoholism is incapable of or unfit to look after and conduct his affairs, or is dangerous to himself or others, or has lost his power of self-control because of periodic, constant or frequent use of alcoholic beverages, and that he is in need of care and treatment, and that his detention, care and treatment at an institution will improve his health.

(3) The clerk of court who files the petition shall receive a fee of ten dollars, which shall be paid by the petitioner at the time the petition is filed.

Section 2. Section 222.180 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any resident of the Commonwealth of Kentucky may apply for treatment for alcoholism by filing a written application with the clerk of the circuit court or with the clerk of the county court of the county in which he resides, and paying the clerk a fee of ten dollars. Any such application shall be supported by a medical statement, made by a licensed physician, stating that in the opinion of the physician the applicant is an alcoholic and that the applicant is mentally competent to make such application.

(2) Upon receipt of such application and fee by the clerk he shall refer the application to the proper court, and the court shall have the authority to order and direct treatment of the applicant as in KRS 222.150.

(3) Any applicant, committed under this section, having an estate which can be subject to debt, shall pay the cost of his own transportation and that of any attendant ordered by the court to accompany him to the institution to which he is ordered.

HB 449, AN ACT relating to insurance companies.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A foreign insurance company or insurer incorporated by or under the laws of any other state or foreign country, which is subject to the tax imposed by KRS 136.330, 136.340, 136.350, 136.360, 136.370, 136.390, 342.445 or 342.450, and which owns or leases and substantially occupies any building in the Commonwealth of Kentucky as a regional home office, as defined in Section 2 of this Act, shall be entitled to the following credits and deductions against such tax:

(1) An amount equal to the full amount of all ad valorem taxes paid by such a foreign insurance company during the year next preceding the filing of the report required by Section 3 of this Act upon

(a) Any building and the land upon which it stands in this state owned and substantially occupied by such foreign insurance company in the said tax year as a regional home office, together with any adjacent land as may be required for the convenient use and occupation thereof, and

(b) any property, real or personal, used in connection with the operation and maintenance of such regional home office.

Section 2. A regional home office, for the purpose of this section, shall mean an office performing, for an area covering three or more states, the selling, underwriting, issuing and servicing of insurance, including the following functions relating thereto: approval or rejection of applications for insurance and issuance of policies thereon, approval of payment of all types of claims, maintenance of records to provide policyholder information and service, advertising and publications, public relations, supervision and training of sales and service forces.

Section 3. Such a foreign insurance company or insurer shall, by March 1 of each year, on forms to be prescribed by the insurance commissioner, furnish proof which shall satisfy the insurance commissioner that such foreign insurance company or insurer owned or leased and substantially occupied during the preceding calendar year a regional home office as contemplated by Section 2 of this Act. Upon receipt of such proof, the insurance commissioner shall issue to the state treasurer a certificate that the foreign insurance company or insurer owned or leased and substantially occupied during the preceding calendar year a regional home office, as contemplated by Section 2 of this Act. Upon receipt of such proof, the insurance commissioner shall issue to the state treasurer a certificate that the foreign insurance company or insurer owned or leased and substantially occupied during the preceding calendar year a building in this state as such a regional home office, with the location thereof, and is entitled to the credits and deductions provided for in Section 1 of this Act with respect to the tax imposed by KRS 136.330, 136.340, 136.350, 136.360, 136.370, 136.390, 342.445 or 342.450, which accrued during such calendar year. Provided, that with respect only to the calendar year in which a foreign insurance company or insurer shall first establish such a regional home office in this state, if the proof filed with the insurance commissioner on or before March 1 of the succeeding year, as above provided in this section, shall evidence to the satisfaction of the insurance commissioner that said foreign insurance company or insurer established such a regional home office in this state on or prior to July 1 of such calendar year and substantially occupied and maintained same during the remainder of such calendar year, then said foreign insurance company or insurer shall be entitled to the rights, credits and deductions provided in this Act as fully as though it had owned or leased and substantially occupied said regional home office during the entire period of such calendar year; and in such event the certificate to be issued by the insurance commissioner to the state treasurer as above provided in this section, shall be so worded as to accomplish the intent and purpose of this Act.

HB 460, AN ACT relating to transfer of teachers, principals and other school employes.

Be it enacted by the General Assembly of the Commonwealth of entucky:

Section 1. Section 160.380 of the Kentucky Revised Statutes is amended to read as follows:

(1) Except as provided by KRS 160.430, all appointments and

promotions of principals, supervisors, teachers and other public school employes shall be made only upon the recommendation of the superintendent of schools, subject to the approval of the board. If the board of education cannot agree with the superintendent as to any legally qualified person recommended by the superintendent, the board of education may appeal to the State Board of Education to review the case and the decision of the State Board of Education shall be final. All employes of the board shall have such qualifications as are prescribed by law and by regulation of the State Board of Education and of the employing board. Supervisors, principals, teachers, and other employes may be appointed by the board of education for any school year at any time after April 1, next preceding the beginning of the school year.

(2) All transfers of principals, teachers and other school employes from one school to another within the school district shall be made only on the recommendation of the superintendent of schools and the concurrence of at least three members of the board.

HB 491, AN ACT relating to jury commissioners.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 29.075 of the Kentucky Revised Statutes is amended to read as follows:

(1) The jury commissioners shall consult either the current voters' registration, or the last returned tax records for the county, or both, and shall take from such records a group of consecutively listed names of the following size:

(a) In counties having a population of ten thousand or less, not less than two hundred nor more than three hundred;

(b) In counties having a population of more than ten thousand and not more than twenty thousand, not less than two hundred fifty nor more than four hundred;

(c) In counties having a population of more than twenty thousand and not more than fifty thousand, not less than five hundred nor more than six hundred;

(d) In counties having a population more than fifty thousand and not more than one hundred thousand, not less than one thousand nor more than two thousand;

(e) In counties having a population of more than one hundred thousand and a circuit court divided into branches, not less than one thousand nor more than two thousand for each division requiring the services of a jury.

(2) No group of consecutively listed names from either source shall be used twice before all other names have been used, insofar as practicable.

(3) The commissioners shall place the name and address of each person so selected on a small slip of paper, each slip being as near the same size and appearance as practicable. Each slip shall then be by them enclosed in a small case or capsule and deposited unsealed in a revolving drum, but, before depositing any of the slips in the drum, the commissioners shall carefully examine it and remove therefrom any slips found therein.

(4) The jury commissioners shall file with the circuit court clerk a memorandum of the first and last names of the group chosen, and the source from which the names were taken.

HB 328, AN ACT relating to the use of firearms on railroad rights-of-way.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Any person, except an authorized employee of the railroad acting in his official capacity, who carries or discharges firearms upon a railroad right-of-way shall be fined not less than twenty-five dollars or more than five hundred dollars, or imprisoned for thirty days, or both.

HR 88, A CONCURRENT RESOLUTION directing the Legislative Research Commission to make a complete study of the office of sheriff in the Commonwealth of Kentucky.

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the Legislative Research Commission is authorized and directed to make a complete study of the office of sheriff in the Commonwealth of Kentucky. This study shall include an analysis of the constitutional provisions and statutory law affecting the office of sheriff. The study shall include an analysis of the administrative procedures and problems connected with the office of sheriff.

Section 2. Among other matters, the Legislative Research Commission shall examine the advisability of establishing a new agency to collect taxes at the county level; the proper allocation of police functions within a county; an analysis of compensation and expense provisions.

Section 3. The Governor shall appoint an advisory committee to assist the Legislative Research Commission in this study. The committee shall consist of such sheriffs and interested citizens as the Governor deems advisable. The advisory committee shall be appointed at such time as the Legislative Research Commission advises the Governor that it is proper for the advisory committee to consider staff reports.

Section 4. That the results of the study, including findings and conclusions, shall be made the subject of a report to be submitted to the 1962 session of the General Assembly.

SB 202, AN ACT relating to closing of public ways.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 94.360 of the Kentucky Revised Statutes is amended to read as follows:

(1) The city legislative body in cities of the second, third, fourth, fifth and sixth classes shall, by itself or through a department of public works or a superintendent of public works as provided by law, have and exercise exclusive control over the public ways, landings, wharves and public grounds of the city. It may establish, open, alter, widen, extend, close, grade, pave, repave, clean, sprinkle and repair the same, prevent and remove encroachments thereon or obstructions thereof, put drains and sewers in the same, regulate or prohibit the building of vaults and areas under the sidewalks, and enforce and regulate connection with sewers, gas and water mains and conduits of all kinds laid in or under the public ways of the city.

(2) Upon the adoption of an ordinance by the city legislative body closing the whole or any portion of a public way, the city attorney, or city solicitor in cities of the second, third, fourth, fifth and sixth classes, shall institute an action in the circuit court to have it closed. All the owners of ground in the square or lots divided by that public way, or the portion proposed to be closed, shall be made defendants. If all defendants are competent to act for themselves and fail to object to the closing prayed for, the court shall render a decree accordingly, but if any defendants object, or are under disability other than coverture, the court shall empanel a jury, which shall hear evidence and determine the amount of compensation in the form of damages to be paid to each defendant. The court shall then direct that the public way be closed upon payment to each defendant of the damages awarded to him, or, if any defendant refuses or is unable to accept payment, upon payment into court of the amount awarded that defendant. The court shall give these proceedings precedence over other cases.

(3) When any parcel of ground has been laid off as a public way, and opened to the unrestricted use of the general public for five consecutive years, it shall be conclusively presumed to have been dedicated to the city as a public way, subject to acceptance by the city. The city may, at any time after the expiration of five years from the time the parcel of ground is laid off and opened to the public, pass an ordinance declaring it so dedicated, and accepting the dedication, whereupon it shall be a public way of the city for all purposes. The lack of an actual dedication to the city, or of a record title on the

part of the city, shall be no defense against the collection of any tax that may be levied against property abutting thereon for the payment of the cost of any improvement constructed thereon by order of the city. Nothing herein shall be construed to require the expiration of five years to raise a presumption of dedication in any case where, under any rule of law now in force in this state, a dedication would be presumed in less than five years.

HB 493, AN ACT relating to employees of the Highway Department.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 176.040 of the Kentucky Revised Statutes is repealed.

HB 444, AN ACT relating to the conduct of public officers and employes, prohibiting conflict of interests, and establishing penalties for violations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The purpose of this Act is to prescribe specific standards to guide public officers and employes in the conduct of their offices or employment, and to proscribe improper conduct to the extent to which such conduct may be sufficiently described to enable statutory prohibitions against it to be properly enforced. It is at the same time recognized that under a free government it is both necessary and desirable that all citizens should have certain specific interests in the decisions of government, and that the activities and conduct of public officers and employes should not be unduly circumscribed.

Section 2. As used in this Act, except as may be otherwise indicated by the context:

(a) "Agency" means any of the departments of the State Government, and any division, board, bureau, commission or other instrumentality within such department and any independent State authority, commission, instrumentality or agency, but it does not include an authority, commission, instrumentality or agency created pursuant to compact or agreement between or among the State of Kentucky and another state or states.

(b) "Officer or employe" means a person holding an office, position or employment in an agency, but it does not include persons who serve without salary or other payment for their services.

(c) "Compensation" means any money, thing of value, or financial benefit conferred in return for services rendered or to be rendered, but it does not include the salary or other payment provided by law or appropriation for services rendered in a public office, position or employment.

Section 3. No member of the General Assembly, or officer or employe thereof, or officer or employe of an agency as defined in this Act, shall knowingly receive or agree to receive, directly or indirectly, compensation for any services to be rendered, either by himself or another, in negotiations with the State or an agency for the purchase by the State or an agency of an interest in real property. This section shall not apply to appearances before any court, except that negotiations shall be prohibited as aforesaid at any time.

Section 4. No member of the General Assembly, or officer or employe of an agency, may be in any manner interested, either directly or indirectly, in his own name or in the name of any other person, association, trust, or corporation, in any contract or the performance of any work in the making or letting or administration of which such officer or employe may be called upon to act or vote. No such officer or employe may represent, either as agent or otherwise, any person, association, trust or corporation, with respect to any application or bid for any contract or work in regard to which such officer or employe may be called upon to act or vote. Nor may any such officer or employ take, solicit or receive, either directly or indirectly, any money or other thing of value as a gift or bribe or means of influencing his vote or action in his official character. Any contract made and procured in violation hereof is void. For the purposes of this section the holding of less than five percent of the stock of a corporation is not considered an interest.

Section 5. No member of the General Assembly, officer or employe thereof or officer or employe of any agency shall, for compensation, appear before an agency as an expert witness.

Section 6. No member of the General Assembly, officer or employe thereof, or officer or employ of any agency, shall act as officer or agent for the Commonwealth or any agency in the transaction of any business with himself, or with any corporation, company, association or firm in which he or his spouse has any interest greater than five percent, of the total value thereof.

Section 7. No member of the General Assembly may accept any appointment as an officer or employe of the Commonwealth or any agency unless he shall have first resigned his membership in the General Assembly, and it shall be unlawful for the State Treasurer to pay any salary by reason of such appointment until the resignation has been accepted by the officer having a duty to call a special election to fill the particular vacancy thereby created in the General Assembly.

Section 8. No member of the Legislature, officer or employe of an agency or appointee shall knowingly himself or by his partners or through any corporation which he controls or in which he owns or controls more than ten percent of the stock, or by any other person for his use or benefit or on his account, undertake, execute, hold or enjoy, in whole or in part, any contract, agreement, sale or purchase of the value of twenty-five dollars or more, made, entered into, awarded or granted by any agency, unless said contract, agreement, sale or purchase was made or let after public notice and competitive bidding.

Section 9. No officer employe or appointee of an agency, including persons who serve without salary or other payment for their services, shall knowingly receive or agree to receive, directly or indirectly, compensation for any services rendered or to be rendered, either by himself or another, in any cause, proceeding, application or other matter which is before said agency or before the department of state government in which said agency functions.

Section 10. Any person who violates any provision of this Act, upon conviction, shall be punished by confinement in the penitentiary for not less than six months, nor more than two years, or fined not less than two hundred dollars nor more than one thousand dollars, or both, and in addition he shall be adjudged to have forfeited statutory office or employment which he may hold.

Section 11. The effective date of this Act shall be January 1, 1961.

HB 492, AN ACT to provide measures for highway safety through the control of highway signs and markings, length of house trailers, speed limits and flashing lights in the vicinity of highways.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. When it is determined, upon the basis of an engineering and traffic investigation at an intersection, that vehicle stop signs are more restrictive than necessary for the safe and efficient control of that intersection's vehicular movements, Yield Right of Way signs may be installed by the Department of Highways on one or more of the intersection approaches for the purpose of assigning right of way. The driver of a vehicle, in obedience to a Yield Right of Way sign shall yield right of way to vehicles not so obligated to yield or stop which are within the intersection or approaching so closely as to constitute an immediate hazard; but such driver, having so yielded, may proceed at such time as a safe interval occurs.

Section 2. KRS 189.330 is hereby amended to read as follows:

(1) When turning to the right at an intersection of highways, vehicles shall keep to the right of the center, and in turning to the left shall pass to the left of the center, keeping, however, as far to the right as is possible to do so and still pass to the left of the center.

In this subsection "center" means the meeting point of the medial lines of the two highways.

(2) Except as stated in subsections (3), (4), (5), (6) and (7), or where otherwise directed by a traffic officer, the operator of a vehicle shall yield the right of way at the intersection of their paths to a vehicle approaching from the right unless the vehicle approaching from the right is further from the point of intersection of their paths than the first named vehicle.

(3) A vehicle being operated upon any intercounty seat highway, designated state highway or boulevard, or any street which by ordinance has been designated as being equal in importance to a boulevard, need not yield the right of way to a vehicle approaching from the right where such a highway intersects another highway of lesser class. Any vehicle operated on the lesser class highway shall stop before entering a highway of a higher class, except as provided in subsection (6).

(4) Except as provided in subsection (6), the driver of a vehicle shall stop at the entrance to a through highway and shall yield the right of way to other vehicles which have entered the intersection from the through highway or which are approaching so closely on the highway as to constitute an immediate hazard, but the driver having so yielded may proceed and the drivers of all other vehicles approaching the intersection on the through highway shall yield the right of way to the vehicle so proceeding into or across the through highway.

(5) The driver of a vehicle shall likewise stop in obedience to a stop sign at an intersection where a stop sign is erected at one or more entrances to the intersection although part of a through highway does not form the intersection. He shall proceed cautiously, yielding to vehicles not so obliged to stop which are within the intersection or approaching so closely as to constitute an immediate hazard, but may then proceed.

(6) Whenever it is determined, upon the basis of an engineering and traffic investigation at an intersection, that the assignments of rights of way described in subsection (2), (3), (4) and (5) are more restrictive than necessary for the safe and efficient control of that intersection's vehicular and pedestrian movements, yield right of way signs may be installed on one or more of the intersection approaches for the purpose of assigning right of way. The driver of a vehicle, in obedience to a yield right of way sign shall yield right of way to vehicles and pedestrians not so obliged to yield or stop which are within the intersection or approaching so closely as to constitute an immediate hazard; but such driver, having so yielded, may proceed at such time as a safe interval occurs.

(7) The driver of a vehicle about to enter or cross a highway

from a private road or driveway shall yield the right of way to all vehicles approaching on the highway.

Section 3. (1) It is unlawful for any house trailer to be towed on any highway in this State if it exceeds eight feet in width, or if the combined towing vehicle and house trailer exceeds thirty-five feet in length, one or both, unless and until a permit authorizing such towing of such house trailer shall have been issued by the Department of Highways as provided for motor trucks, tractors, semi trailers, and trailers in KRS 189.270.

(2) Any person, firm or corporation violating the provisions of this Act shall be fined not less than $20.00 nor more than $100.00.

Section 4. Not withstanding the provisions of KRS 189.390, Subsection (2) and (3), the Commissioner of Highways may establish by official order reasonable and safe speed limits on turnpikes and limited access highways constructed under the provisions of KRS 177.200 to 177.310 and KRS 177.410 to 177.570 not to exceed seventy miles per hour.

Section 5. (1) No person shall install or maintain a red, yellow, green or similarly colored flashing light within one hundred feet of the right of way of a state maintained highway for any purposes other than safety, highway construction, or emergency purposes.

(2) Any person who violates this Act shall be fined not less than $100.00 nor more than $1,000.00.

HB 494, AN ACT relating to Highway Rights of Way, Including the Control and Eradication of Johnson Grass and Other Noxious Weeds Thereon.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

KRS 176.051 is amended to read as follows:

(1) The Department of Highways may keep all state right of ways free of the species of grass, sorphum, halepense, commonly known as Johnson grass which is a noxious weed; and, upon written request from any abutting property owner engaged in a program of eradication of Johnson grass shall cooperate with such abutting owner by eradicating such Johnson grass from abutting state right of ways. The Department may take steps to eradicate such grass by the use of chemicals or any other means found to be effective by the Department.

(2) When the Department undertakes to eradicate Johnson grass, and the abutting property owner has not requested the Department to aid in the eradication, the Department of Highways shall notify the owner or tenant, whichever may be operating the farm adjacent to the right of way, of the approximate date that the eradi-

cation work is to be performed. Notice shall be given to the owner or tenant so as to provide at least three days in which to allow the owner or tenant sufficient time to remove his livestock from the fields adjacent to the right of way on which the eradication work is to be performed. The Department shall advise the owner or tenant of land adjacent to the right of way treated of the nature of any chemicals used and of the probable effect such chemicals or process used will have on any livestock. The Department of Highways shall further advise said owner or tenant of the length of time required for the chemical action or reaction to dissipate to the point where there will be no harmful effects on the livestock.

HB 495, AN ACT relating to thoroughbred horse racing and race meetings.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act unless the context requires otherwise:

(1) "Association" means any person licensed by the Kentucky State Racing Commission under Section 10 of this Act and engaged in the conduct of a recognized thoroughbred race meeting.

(2) "Commission" means the Kentucky State Racing Commission.

(3) "Commissioner" means a member of the Kentucky State Racing Commission.

(4) "Secretary" means the Secretary of the Kentucky State Racing Commission.

(5) "Thoroughbred race or thoroughbred racing" shall include that form of horse racing in which each horse participating in such race is a thoroughbred, (i.e., meeting the requirements of and registered with The Jockey Club of New York) and is mounted by a jockey.

Section 2. (1) There is hereby created the Kentucky State Racing Commission which shall be an independent agency of state government. The Commission shall consist of five members all of whom shall be appointed by the Governor. Not less than three of the members shall be breeders and raisers of thoroughbred stock in Kentucky, and no two of the members shall be directors of the same racing association. Commissioners shall be appointed for a term of four years and until their successors are appointed and qualified. Any vacancy on the Commission shall be filled by the Governor for the unexpired term. Each Commissioner shall be eligible for reappointment in the discretion of the Governor. Commissioners shall serve without salaries, but shall be reimbursed for all expenses paid or incurred in the discharge of official business. The Commission shall designate one of their number as chairman and another as vice-chairman. Before entering upon the discharge of their duties, each commissioner shall take the constitutional oath of office.

(2) The Commission shall establish and maintain a general office for the transaction of its business and may in its discretion establish a branch office or offices. The Commission may hold meetings at any of such offices or at any other place when the Convenience of the Commission requires. All meetings of the Commission shall be open and public, and all persons shall be permitted to attend any meetings. A majority of the Commission shall constitute a quorum for the transaction of its business or exercise of any of its powers.

Section 3. (1) The Governor shall appoint a secretary for the commission for a term not to exceed four years and who may be removed in the same manner as a member of the commission. The secretary shall possess the powers and perform the duties imposed upon him by this Act, and such other duties as the commission may direct or prescribe. The secretary shall keep a full record of all proceedings before the commission and shall preserve at its general office all books, maps, records, documents, licenses and other papers of the commission. All records of the commission shall be open to inspection by the public during regular office hours.

(2) The commission may employ an assistant secretary and stenographers, clerks and other personnel as it may deem necessary to efficiently operate its general office or any branch thereof. The commission shall fix the compensation of such employes. Any member of the commission or the secretary thereof or any employe referred to in this section shall be reimbursed for expenses paid or incurred in the discharge of official business when approved by the commission. The compensation of the employes referred to in this section, together with reimbursement of expenses incurred by such employees, a member of the commission or the secretary thereof, shall be paid from commission funds.

Section 4. (1) In addition to the employes referred to in Section 3 of this Act, the commission may employ, at reasonable compensation, stewards, supervisors of mutuels, veterinarians, inspectors, accountants, guards and other employees deemed by the commission to be essential at or in connection with any thoroughbred race meeting and to the best interest of racing. The commission for the purpose of maintaining integrity and honesty in racing shall prescribe by rule the powers and duties of the persons employed under this section. The commission shall promulgate rules and regulations for effectively preventing the use of improper devices, the administration of drugs or stimulants or other improper acts for the purpose of affecting the speed or health of horses in races in which they are to participate, and in connection therewith the commission is authorized to acquire, operate and maintain, or to provide by contract for the maintenance and operation of, a testing laboratory and related facilities, for the purpose of saliva, urinal or other tests, and to purchase supplies and equipment for and in connection with such laboratory or testing processes. The expense of the laboratory or other testing processes, whether furnished by contract or otherwise, together with all supplies and equipment used in connection therewith, shall be paid by the various associations licensed under this Act in such manner and in such proportions as the commission may by rule provide.

(2) The compensation of the employes referred to in this section shall be paid by the licensee conducting the thoroughbred race meeting in connection with which said employes are utilized or employed. The salary of the secretary to the commission shall be prorated among and paid by the various association licensed under this Act in the manner as the commission may, by rule, provide. The employes referred to in this section shall be deemed employes of the commission, and are paid by the licensee or association for convenience only.

(3) Each person, as a condition precedent to the privilege of receiving a license under this Act to conduct a thoroughbred race meeting shall be deemed to have agreed that it will pay such expenses and compensation as provided in this section and as may be actually and reasonably incurred.

Section 5. When requested by the commission, the Attorney-General of Kentucky, or such Assistant Attorney-General as he may designate, shall, without additional compensation, advise the commission and represent it in all legal proceedings.

Section 6. The commission, in the interest of breeding or the improvement of the breed of thoroughbred horses, shall have all powers necessary and proper to carry out fully and effectually the provisions of this Act including, but without limitation, the following:

(1) The commission is vested with full jurisdiction and supervision over all thoroughbred race meetings in this state and over all persons and associations having to do with the conduct of such meetings.

(2) The commission, its representatives and employes, may visit, investigate and have free access to the office, tract, facilities or other places of business of any licensee for the purpose of satisfying itself that this Act and its rules and regulations are strictly complied with.

(3) The commission may by rule direct the manner in which each association shall keep its books and records.

(4) The commission shall have full authority to prescribe rules, regulations and conditions under which thoroughbred horses racing shall be conducted in this state and to fix and regulate the minimum amount of purses, stakes or awards to be offered for the conduct of any thoroughbred race meeting.

(5) Applications for licenses shall be made in the form, in the

manner and contain information as the commission may, by rule, require. Fees for all licenses issued under Section 11 of this Act shall be prescribed by and paid to the commission.

(6) Any of the foregoing rules, regulations and conditions may be altered, amended, repealed and published from time to time. All rules, regulations and conditions shall become effective thirty days after the filing thereof with the Legislative Research Commission unless the Governor finds an emergency to exist in which event the same shall become effective immediately upon filing with the Legislative Research Commission. The commission may, but shall not be required to, advertise any of its regulations either before or after filing.

(7) The commission may issue subpoenas for the attendance of witnesses before it and administer oaths to such witnesses whenever, in the judgment of the commission, it is necessary to do so for the effectual discharge of its duties. Any person failing to appear before the commission at the time and place specified in said summons, or refusing to testify, shall be deemed guilty of a misdemeanor and upon conviction by a court of competent jurisdiction shall be punished by a fine of not more than $1,000.00 or by imprisonment for not more than six months, or both. False swearing on the part of any witness shall be deemed perjury and punished as such.

(8) The commission shall have authority to compel any racing association licensed under this Act to file with the commission at the end of its fiscal year, a balance sheet, showing assets and liabilities, and an earnings statement, together with a list of its stockholders or other persons holding a beneficial interest in the association.

Section 7. The commission shall biennially make a full report to the General Assembly of its proceedings for the two-year period ending December 1 preceding the meeting of the General Assembly and may embody in the report such suggestions and recommendations as it deems desirable.

Section 8. No person shall hold or conduct any thoroughbred race meeting for any stake, purse, or reward within the Commonwealth of Kentucky without securing the required license from the commission.

Section 9. All licenses granted under this Act:

(a) shall be in writing.

(b) shall be subject to all rules, regulations and conditions as may from time to time be prescribed by the commission.

(c) shall contain such conditions as may be considered necessary or desirable by the commission for purposes of this Act, and

(d) no license shall extend beyond the end of the calendar year for which it was issued.

Section 10. (1) Any person desiring to conduct thoroughbred racing within the Commonwealth of Kentucky during any calendar year shall first apply to the commission for a license to do so. The application shall be filed at the commission's general office on or before a day fixed by the commission. The application shall specify the location of the track and the days on which racing is desired to be conducted or held and shall be in the form and contain such other information and data as the commission may, by rule, require.

(2) The commission shall as soon as practicable but in no event later than March 1 in any calendar year award all dates for racing in Kentucky during the year. The commission may issue such license to conduct a thoroughbred race meeting to any person who makes the aforesaid application, who has complied with the requirements of this Act as well as the rules of the commission and where the issuance thereof is in the best interest of racing generally. As a condition precedent to the issuance of the license, the commission may require a surety bond or other surety conditioned upon the payment of all taxes due the Commonwealth, together with the payment of operating expenses including purses and awards to owners of horses participating in races.

(3) Every license issued under this Act shall specify among other things the name of the person to whom issued, the address and location of the track where the thoroughbred race meeting to which it relates is to be held or conducted, and the days and hours of the day when the meeting will be permitted.

(4) A license issued under this section is neither transferrable nor assignable and shall not permit the conduct of a thoroughbred race meeting at any track not specified therein. However, if the track specified becomes unsuitable for thoroughbred racing because of flood, fire or other catastrophe, the commission may, upon application, authorize the meeting, or any remaining portion thereof, to be conducted at any other suitable track available for that purpose, provided that the owner of such track willingly consents to the use thereof.

(5) Thoroughbred racing dates may be awarded and licenses issued authorizing thoroughbred racing on any day of the year except Sundays. No thoroughbred racing shall be held or conducted on any Sunday. Thoroughbred racing shall be held or conducted only between sunrise and sunset.

(6) The commission may at any time require the removal of any official or employe of any association in those instances where it has reason to believe that the official or employe has been guilty of any dishonest practice in connection with thoroughbred racing or has failed to comply with any condition of his license or has violated any law or any rule or regulation of this commission.

(7) Every thoroughbred race not licensed under this section is

hereby declared to be a public nuisance and the commission may obtain an injunction against the same in the circuit court of the county where the unlicensed race is proposed to take place.

Section 11. Every person not required to be licensed under Section 10 hereof who participates in or has anything to do with thoroughbred racing, including a horse owner, jockey, apprentice, exercise boy, agent, trainer, observer, stable foreman, groom, valet, veterinary, horse shoer, steward, horse owner, owner's stable, watchman, starter or starter's helper, timer, judge, any other person acting as a racing official of any thoroughbred race meeting and every employe of a pari-mutuel department shall be licensed by the commission pursuant to such rules and regulations as the commission may adopt and upon the payment of a license fee fixed and determined by the commission. No person required to be licensed by this section may participate in any capacity in any thoroughbred race meeting without a valid and unrevoked license authorizing such participation. An original license issued under this section shall be issued for the calendar year in which it is issued and shall be renewable annually upon the payment of the fee prescribed for the issuance of an original license of the same kind. The license shall be valid at all thoroughbred race meetings in this state during the period for which it is issued unless it is suspended or revoked prior to the expiration of such period. No qualified person shall be refused a license under this section without just cause, but for just cause the same may be denied and, after issuance, may be suspended or revoked.

Section 12. (1) Every license granted under this Act is subject to revocation or suspension by the commission in any case where it has reason to believe that any provision of this Act or rule, regulation or condition of the commission affecting it has not been complied with or has been broken or violated. The commission in the interest of honesty and integrity of thoroughbred horse racing may prescribe rules and regulations under which any license may be denied, suspended or revoked.

(2) If any license is denied, suspended or revoked the commission shall state publicly its reasons for the suspension or revocation and shall cause an entry of such reasons to be made on its record book. The action of the commission in denying, suspending or revoking any license issued under this Act is final except that such action is subject to review by any court of competent jurisdiction. The action of the commission shall remain in full force and effect until reversed or modified by a valid order of such court.

Section 13. Any licensee or any applicant aggrieved by any order of the commission may appeal to the Franklin Circuit Court within the time and in the manner provided by KRS 243.560 to 243.590.

Section 14. (1) The commission shall adopt rules governing and regulating mutual wagering on thoroughbred races under what is known as the pari-mutuel system of wagering. Such wagering shall be conducted only by a person licensed under this Act to conduct a thoroughbred race meeting and only upon the licensed premises and on the dates and hours for which racing has been authorized by the commission. The pari-mutuel system of wagering shall be operated only by a totalizator or other mechanical equipment approved by the commission. The commission shall not require any particular make of equipment.

(2) In no event shall the operation of a pari-mutuel system for betting where authorized by law constitute grounds for the revocation or suspension of any license issued and held under Section 15 of this Act.

(3) All reported but unclaimed pari-mutuel winning tickets held in this state by any person or association operating a pari-mutuel or similar system of betting at thoroughbred race meetings shall be presumed abandoned within the meaning of KRS Chapter 393, if not claimed by the person entitled thereto within two years from the time the ticket became payable.

Section 15. Any person licensed by this commission under Section 12 of this Act may be issued by the Alcoholic Beverage Control Board and may hold a distilled spirits and wine special temporary license and malt beverage special temporary license as provided in KRS 243.260 and 243.290. The licenses and each of them when issued shall be valid and effective only upon premises licensed by this commission and upon the dates and hours for which racing has been authorized by this commission.

Section 16. (1) This Act is not applicable to trotting or pacing meets or races conducted in this state.

(2) The provisions of this Act are intended to be statewide and exclusive in their effect and no city, county or other political subdivision of state government shall have the power or authority to make or enforce any local laws, ordinances or regulations on the subject of thoroughbred race meetings. Any person licensed under Section 10 of this Act shall continue to pay, or be responsible for the payment of, all state taxes presently imposed by law, including but without limitation, license taxes imposed under KRS 137.170 to 137.190, and KRS 137.990 together with admission taxes imposed by KRS 138.480 to 138.490, and the pari-mutuel taxes imposed by KRS 138.510 to 138.550, and all state, as well as local, ad valorem taxes.

Section 17. Subsections (1) and (2) of Section 230.010; Sections 230.020, 230.030, 230.040, 230.050, and 230.060; and subsection (1) of Section 230.990 of the Kentucky Revised Statutes are hereby repealed.

HB 496, AN ACT relating to circuit court districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The preamble and subsection (24) of Section 23.050 of the Kentucky Revised Statutes is amended to read as follows:

The regular term of each court shall commence in each county at the following named time, and continue, if the business requires it, the number of days hereinafter prescribed:

(24) Twenty-fourth District. Johnson County, at Paintsville, on the second Monday in January, the third Monday in April, and the fourth Monday in August, thirty juridical days each.

Martin County, at Inez, on the third Monday in March, the fourth Monday in June, and the second Monday in November, twenty-four juridical days each.

Section 2. The preamble and subsection (37) of Section 23.050 of the Kentucky Revised Statutes is amended to read as follows:

The regular term of each court shall commence in each county at the following named time, and continue, if the business requires it, the number of days hereinafter prescribed:

(37) Thirty-seventh District. Elliott County, at Sandy Hook, on the first Monday in February, the first Monday in May, and the first Monday in October, twelve juridical days each.

Morgan County, at West Liberty, on the third Monday in February, the third Monday in May, and the third Monday in October, twelve juridical days each.

Carter County, at Grayson, on the first Monday in March, the first Monday in June, and the second Monday in November, twenty-four juridical days each.

Lawrence County, at Louisa, on the second Monday in January, the first Monday in April, and the second Monday in September, twenty-four juridical days each.

Section 3. The preamble and subsection (24) of Section 23.040 of the Kentucky Revised Statutes is amended to read as follows:

The State is divided into forty-six circuit court districts, each to be composed of the following counties:

(24) Twenty-fourth District. Johnson and Martin.

Section 4. The preamble and subsection (37) of Section 23.040 of the Kentucky Revised Statutes is amended to read as follows:

The State is divided into forty-six circuit court districts, each to be composed of the following counties:

(37) Thirty-seventh District. Carter, Elliott, Morgan and Lawrence.

HB 498, AN ACT relating to issuance of general obligation bonds of the Commonwealth for state parks and for highways, bridges and tunnels.

WHEREAS, by Chapter 3, Acts of the Second Extraordinary Session of 1956, the General Assembly authorized issuance by the Commonwealth of its general obligation bonds in the principal amount of one hundred million dollars to match federal funds for construction of highways, bridges and tunnels; and according to Section 50 of the Constitution of the Commonwealth, provided for submission of said Act to the voters at the general election on November 6, 1956; and

WHEREAS, said Act was duly approved and issuance of said bonds authorized by an overwhelming majority at said election, and subsequently seventy million dollars of said bonds have been issued; but in said Act it was and is provided that the bonds be sold for not less than their par or face amount, and that none of such bonds bear interest at a rate exceeding three per cent per annum, payable semiannually; and by reason of unfavorable changes in financial conditions, which were not foreseen or anticipated, the Commonwealth for a number of months has been unable to sell the authorized and unissued thirty million dollars of said bonds upon permissible terms, despite increasingly urgent and critical need of the proceeds thereof for the proper designated purposes, with the result that the highway construction program of the Commonwealth has virtually been brought to a standstill; and

WHEREAS, The General Assembly recognizes additional needs of the citizens of the Commonwealth for construction of highways, bridges and tunnels, and for the establishment and development of state parks and development and improvement of existing state parks; and

WHEREAS, in the event the said heretofore authorized but presently unissued thirty million dollars of bonds are successfully marketed under the above-stated restrictive conditions, or are made marketable, as herein proposed, by realistic removal by the voters of the three per cent interest rate limitation, it appears said additional forseeable needs will be sufficiently served if no more than one hundred million dollars of additional bonds are authorized to be issued from the proceeds of which ninety million dollars would be allocated to construction of highways, bridges and tunnels, and ten million dollars to establishment, development, and improvement of state parks; and the General Assembly deems it to be provident, expedient and in the public interest that this Act be duly submitted for approval of the citizens and voters in the manner contemplated by the Constitution of the Commonwealth; now therefore,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. *Efforts to sell authorized and unissued bonds under existing restrictions to be continued; if effort unsuccessful, proposal to remove interest rate limit to be submitted to voters at an election.*

(a) The State Property and Buildings Commission (hereinafter sometimes referred to as the "Commission") is enjoined to continue its best efforts to sell and issue the heretofore unissued thirty million dollars of the Commonwealth's general obligation bonds, as provided in Chapter 3, Acts of the Second Extraordinary Session of 1956, which was approved by the voters at the election held on November 6, 1956 (such bonds, for convenience, being sometimes hereinafter referred to as the "unissued 1956 bonds"; and the aforesaid issue of which the same constitute a part being sometimes hereinafter referred to as the "1956 bonds"). In doing so, the Commission shall in all respects observe the restrictive conditions presently applicable to said unissued 1956 bonds, in that any sale or sales shall be for not less than par or face amount with accrued interest to delivery, and at a rate or rates of interest not exceeding, as to any bonds, three per cent per annum, payable semi-annually, and all of such bonds shall be caused to mature as to principal within thirty years from January 1, 1957.

(b) Unless said unissued 1956 bonds as successfully sold by the Commission on or prior to August 31, 1960, a proposal as set forth in this Act shall be submitted to the qualified voters of the Commonwealth at the regular election scheduled by law to be held on November 8, 1960, seeking the voters' authorization and approval of removing, as to said unissued 1956 bonds, the three per cent interest rate limitation presently applicable thereto. Inasmuch as said unissued 1956 bonds have been taken into account in determining the amount of money otherwise necessary to be provided through issuance of additional bonds as hereinafter set forth, such proposal that the voters remove said existing interest rate limitation as to the unissued 1956 bonds shall appear on the ballots at the election to be held on November 8, 1960, as a part of the ballot question submitting for authorization and approval this Act as a whole and the proposed issuance of an additional one hundred million dollars of general obligation bonds of the Commonwealth for state parks, and for highways, bridges and tunnels, as hereinafter provided. In such event the form of the question which shall be caused to appear upon the ballots at the election on November 8, 1960, shall be as set forth in Section 6 of this Act.

(c) In the event the said unissued 1956 bonds are successfully sold by the Commission on or prior to August 31, 1960, according to the presently existing interest rate limitation, the Commission shall, not later than September 1, 1960, so notify the Secretary of State of the Commonwealth; and inasmuch as there will then no longer be any occasion to seek authorization of the voters for removal of said interest rate limitation, the question to appear upon the ballots submitting this Act for authorization and approval of the voters at the election on November 8, 1960, shall be as provided in Section 7 of this Act.

(d) Based upon representations made by the Commission as set forth in this Section 2, the Secretary of State shall, after September 1, 1960, determine whether the form of question to be used in submitting this Act to the voters for authorization and approval at the election on November 8, 1960, shall be as set forth in Section 6 hereof, or as set forth in Section 7 hereof, and shall certify the applicable form of ballot question to the respective County Court Clerks at the same time that candidates for public office are provided to be certified pursuant to KRS 119.140; and when each County Court Clerk causes the ballots to be printed according to KRS 118.190 the form of question so certified by the Secretary of State shall be caused to appear thereon with appropriate spaces for the voters to designate "Yes" or "No" as provided in KRS 118.170 (3).

Section 3. *Commonwealth to contract additional indebtedness not to exceed one hundred million dollars for parks, and for highways, bridges and tunnels; submission to voters at an election on November 8, 1960, according to Section 50 of the Constitution.* Subject to the provisions of Section 50 of the Constitution of the Commonwealth, as hereinafter provided, a direct indebtedness of the Commonwealth in the principal amount of one hundred million dollars, in addition to the 1956 bonds, and in addition to any and all other bonds and indebtedness of the Commonwealth, shall be incurred by the Commonwealth through issuance of its general obligation bonds, for the prompt payment of which when due, both principal and interest, the full faith, credit, resources and unlimited taxing power of the Commonwealth shall irrevocably be pledged; and from the proceeds thereof not to exceed ten million dollars shall be and are hereby appropriated and shall be used for establishment, development, and improvement of state parks and for development and improvement of existing state parks; and not to exceed ninety million dollars shall be and are hereby appropriated and shall be used for construction of highways, bridges, and tunnels, wherein there is to be federal cost participation (all of said bonds, for convenience, being sometimes hereinafter referred to as the "1960 bonds"). As provided in Section 50 of the Constitution of the Commonwealth, no part of said indebtedness shall be incurred unless authorized and approved by a majority vote upon submission to the voters at an election as hereinafter provided. Such submission shall be at the regular elections which are to be held on November 8, 1960.

Section 4. *Bonds for park purposes and bonds for highways, bridges and tunnels to be designated distinguishably; separation of proceeds.*

(a) Bonds of the ten million dollars authorized for state park purposes, and bonds of the ninety million dollars authorized for highways, bridges and tunnels shall be given separate and distinguishable designations by resolution of the Commission prior to the issuance of any of the 1960 bonds; and in all proceedings relating to authorization, sale and delivery the identity of the bonds shall be manifest; provided, however, the Commission may in its discretion, at one time or from time to time, offer for sale, upon the same occasion, all or any part of both of the separately designated blocks of bonds.

(b) The proceeds of bonds issued for park purposes shall be segregated by the Commission from all other monies and funds and shall constitute the "State Park Acquisition and improvement Fund," hereby created; and expenditures therefrom shall be made upon order of the Commissioner of Parks subject to financial and budgetary procedures as may be provided by law only for costs of establishing, developing and improving state parks, and developing and improving existing state parks, and upon order of the Commission for defraying expenses incident to the issuance of bonds. Pending expenditure, such proceeds shall be deposited in one or more financial institutions, and each institution shall give security by making a valid pledge to the Commonwealth of United States Government securities approved by the Commission and having an aggregate market value at all times at least equal to the current balance of the deposit; provided, however, the Commission may, in its discretion, cause all or any part of the monies in the said "State Park Acquisition and Improvement Fund" to be invested and from time to time reinvested in United States Government securities, and income received from such investments shall be retained in said fund and may be invested and reinvested in like manner. Securities held for the account of said fund shall be converted into cash, upon order of the Commission, and disbursed and expended whenever required for the designated purposes of the Fund.

(c) The proceeds of bonds issued for highways, bridges and tunnels shall be segregated by the Commission from all other monies and funds and shall constitute the "State Highway Construction Fund of 1960," hereby created; and expenditures therefrom shall be made upon order of the Commissioner of Highways of the Commonwealth for construction of highways, bridges and tunnels wherein there is to be federal cost participation; and by the Commission for defraying expenses incident to the issuance of bonds. Pending expenditure, such proceeds may be deposited, secured, invested, reinvested and converted into cash in the same manner as is provided in subsection (b) with reference to the proceeds of the bonds issued for park purposes.

Section 5. *Bonds for park purposes and bonds for highways, bridges and tunnels to have separate sources of payment and interest; provisions for levying taxes as required by the Constitution.* All of said 1960 bonds shall, as aforesaid, be direct general obligation bonds of the Commonwealth and shall be issued with an irrevocable pledge of the full faith, credit, resources and unlimited taxing power of the Commonwealth, but in accordance with the mandatory requirement of Section 50 of the Constitution of the Commonwealth there shall be levied and collected, annually, taxes sufficient to pay the interest stipulated, and to discharge the debt within 30 years, as follows:

(a) In order to provide for the payment of the stipulated interest, and to discharge within 30 years the indebtedness to be evidenced by the ten million dollars of 1960 bonds to be issued for acquisition, development and improvement of state parks and for development and improving of existing state parks, there shall be levied and collected annually so long as any of such bonds are outstanding and unpaid, taxes of the Commonwealth upon all real property, tangible personal property, and intangible personal property from time to time subject to taxation by the Commonwealth, at rates not less than the rates now imposed by law or rates so adjusted as not in any event to jeopardize the prompt payment of principal of and interest on said bonds when due and payable. All proceeds of such taxes, to the extent necessary for payment of the principal of and interest on the ten million dollars of 1960 bonds designated for state park purposes, as and when such principal and interest, respectively, shall become due and payable, are hereby appropriated for that purpose; and such amount thereof shall in each year be set aside in the State Treasury in the "Park Bond Sinking Fund," hereby created, and shall be held therein and disbursed and used upon order of the State Treasurer solely for the purpose of paying the principal of and interest on said bonds when and where due and payable, until all of said bonds, or such lesser amount thereof as may have been issued within 30 years from date of first issue shall have been paid in full. In each year, after setting aside such prescribed amount into the Park Bond Sinking Fund, the remainder of the proceeds of said identified taxes shall be available for any proper general fund purposes of the Commonwealth without restriction.

Monies from time to time set aside and deposited in said Park Bond Sinking Fund, as hereinabove provided, may be invested by the State Investment Commission from time to time in U. S. Government securities which mature, or are subject to redemption at the option of the holder, at or before the various times when cash funds will be required for payment of the maturing principal of and interest on said identified bonds; and income received from such securities shall be retained in the said Park Bond Sinking Fund and may be taken into consideration in the next ensuing annual determination of the amount of such tax proceeds required to be set aside into the said funds as hereinabove provided.

(b) In order to provide for the payment of the stipulated interest, and to discharge within 30 years the indebtedness to be evidenced by the ninety million dollars of 1960 bonds to be issued for the construction of highways, bridges and tunnels there shall be levied and collected, annually, taxes of the Commonwealth for the benefit of the State Road Fund in the form of license, excise taxes and fees relating to registration, operation and use of vehicles on public highways and excise taxes, use and license fees and taxes relating to gasoline and other motor fuels consumed upon the public highways in the Commonwealth, at rates not less than the rates now imposed by law or at rates so adjusted as to produce for the Road Fund not less than the amount now derived from all such sources. Subject to certain prior vested rights hereinafter enumerated, all proceeds of such taxes, to the extent necessary for payment of the principal of and interest on the ninety million dollars of 1960 bonds designated for the highways, bridges and tunnels, as and when such principal and interest, respectively, become due and payable, are hereby appropriated for that purpose; and such amount thereof shall in each year be set aside in the State Treasury into the "Highway Bonds Sinking Fund of 1960," hereby created within the State Road Fund, and shall be held therein and disbursed and used upon order of the State Treasurer solely for the purpose of paying the principal of and interest on said identified bonds when and where due, until all of said bonds, or such lesser amount thereof as may have been issued within such period of 30 years, shall have been paid in full; provided, however, monies in said fund may be invested pending disbursement as in the case of monies in the Park Bond Sinking Fund as herein above provided. In setting aside monies from the proceeds of such taxes and fees into the Highway Bond Sinking Fund of 1960, due regard shall be had for any and all vested rights in and to such proceeds existing in favor of (i) the holders of general obligation bonds of the Commonwealth heretofore or hereafter issued and outstanding pursuant to Chapter 3, Acts of the Second Extraordinary Session of 1956, as authorized and approved by the voters at the general election on November 6, 1956 (ii) the holders of revenue bonds issued for constructing the turnpike between Louisville and Elizabethtown, Kentucky, as provided in KRS Chapter 177 and in a certain trust agreement made in connection with the issuance of said bonds, including recognition of the commitment of the Commonwealth to pay the cost of maintaining, repairing and operating said turnpike (iii) the holders of revenue bonds issued for the construction of certain bridges as set forth in KRS Chapter

180 and in certain trust indentures securing such bridge revenue bonds, including the commitment of the Commonwealth to pay the cost of operating and maintaining such bridges (iv) the holders of valid contracts of the Department of Highways which are in existence on the respective dates any bonds are issued pursuant to this Act and (v) the right of the several counties of the Commonwealth to receive distribution of certain revenues for the respective County Road Funds as provided in KRS 47.020. The right is reserved to the Commonwealth to provide in the future for the construction of additional turnpikes and bridges and financing the same by issuing revenue bonds; and in all such instances the Commonwealth shall have the right to create for the security and source of payment of such revenue bonds a first and prior pledge of and lien upon any and all revenue identified as being generated by such respective projects. In each year, after setting aside into the 1960 Highway Bond Sinking Fund the amount herein prescribed, and after due recognition of the rights enumerated above, the remainder of the proceeds derived from such taxes and fees may be expended and used for any lawful and proper purposes of the State Road Fund as otherwise permitted by the Constitution and laws of the Commonwealth.

Section 6. In the event the unissued 1956 bonds are not sold by the Commission on or prior to August 31, 1960, as provided in Section 1 (b) of this Act, the form of the question which shall be caused to appear upon the ballots at the occasion of the general election to be held on November 8, 1960, shall be as follows:

> GENERAL OBLIGATION BONDS OF THE COMMONWEALTH FOR HIGHWAYS AND PARKS
>
> "Are you in favor of the Act of the General Assembly known as House Bill No. ---------, enacted at the regular session of 1960, wherein it is proposed to remove the three per cent interest rate limitation presently applicable and permit the otherwise lawful rate to apply to unissued bonds of the Commonwealth's issue of general obligation bonds for highways, bridges and tunnels, authorized by the voters at an election held on November 6, 1956, and that the Commonwealth issue and sell additional general obligation bonds in the principal sum of one hundred million dollars from the proceeds of which ten million dollars will be set aside for establishing, developing, and improving state parks and developing and improving existing state parks, and ninety million dollars will be set aside for constructing and improving highways, bridges and tunnels in the Commonwealth wherein there is to be federal cost participation?"

Section 7. In the event the said unissued 1956 bonds are sold by the Commission on or prior to August 31, 1960, the form of the question which shall be caused to appear on the ballots at the occasion of said general election to be held November 8, 1960, shall be as follows:

GENERAL OBLIGATION BONDS OF THE COMMONWEALTH FOR HIGHWAYS AND PARKS

"Are you in favor of the Act of the General Assembly known as House Bill No. ...., enacted at the regular session of 1960, wherein it is proposed that the Commonwealth issue and sell its general obligation bonds, in addition to all bonds heretofore authorized by the voters, in the principal sum of one hundred million dollars from the proceeds of which ten million dollars will be set aside for establishing, developing, and improving state parks and developing and improving existing state parks, and ninety million dollars will be set aside for constructing and improving highways, bridges and tunnels in the Commonwealth wherein there is to be federal cost participation?"

Section 8. This Act shall be submitted to the people of the Commonwealth at the general election to be held on November 8, 1960. The fact of such submission shall be publicly advertised in the following ways:

(a) It shall be the duty of the Secretary of State, immediately after September 1, 1960, to determine whether the ballot question shall be the one set forth in Section 6 of this Act, or the one set forth in Section 7 hereof, and to inform the Attorney General of the Commonwealth of such determination. It shall then be the duty of the Attorney General to prepare and furnish to the Secretary of State, not later than September 15, 1960, a form of "Notice of Election," which shall be so designated, shall conform to any requirements otherwise provided by law for notices of elections, and further shall set forth the proper ballot question in full, and this Act in full, with provisions for the signature of the Secretary of State.

The Secretary of State shall transmit a copy of such form of "Notice of Election" to each of five daily newspapers of bona fide general circulation, published in different areas of the Commonwealth and selected in the discretion of the Secretary of State, with directions that the same be published in each of such newspapers in the form of a legal notice, in one issue published in each of the calendar weeks commencing on Monday, October 10, 17, 24, and 31, 1960, but not in any Sunday issue. Each such newspaper shall publish the same as directed, in the size type customarily used by it in publishing legal notices, and shall be entitled to payment according to its standard prevailing rate for publication of legal notices. After the last publication, each such newspaper shall provide to the Secretary of State, with or before its bill for publication, at least three copies of an affidavit sufficient to constitute proper proof of publication, and if the Secretary of State finds the same to be in order he shall be authorized to draw a warrant upon the State Treasurer for payment from uncommitted monies in the general fund of the Commonwealth.

(b) The Secretary of State shall deliver a copy of said form of "Notice of Election" to the State Printer, and thereupon the State Printer shall promptly prepare and furnish to the Secretary of State at least 125 copies of such notice in the form of handbills of sufficient size and type composition as to be ordinarily legible. The Secretary of State shall furnish a copy of the notice in such handbill form to the Clerk of the County Court of each County of the Commonwealth, and it shall be the duty of each County Court Clerk, upon receiving the same, to post the same at or near the County Courthouse door, or otherwise as notices of judicial sales and other Court proceedings are customarily posted.

(c) Each County Court Clerk shall cause a facsimile of the ballot question to be published as may be required by law.

(d) If the Secretary of State shall perform in proper and timely fashion each of the duties provided in this Section to be performed by him, any failure of others to perform duties and functions as herein provided shall not invalidate the election as to approval or disapproval of this Act, if upon consideration of the Commonwealth as a whole, it shall appear that the qualified voters were fairly apprised of the election.

Section 9. Said election shall be conducted in conjunction with the regular elections otherwise provided by law to be held on the same day, by the same election officers and at the same polling places. The votes cast in favor of and against this Act shall be canvassed and certified to the State Board of Election Commissioners as in the case of votes cast in the election of officers of the state at large. If it be found that a majority of votes cast on the question were in favor of this Act, the State Board of Election Commissioners shall so certify to the Governor and the Governor shall proclaim that this Act has been approved and is in effect.

Section 10. If the question submitting this Act to the people at said election on November 8, 1960, shall have been in the form set forth in Section 6 hereof, then from and after the proclaiming by the Governor that this Act has been approved and is in effect, any unissued bonds of the issue for highways, bridges and tunnels, as proposed by Chapter 3, Acts of the Second Extraordinary Session of 1956, approved and authorized by the voters at the election held on November 6, 1956, as aforesaid, may be sold and issued by the Commission, at one time or from time to time, in strict conformity with all provisions of said Chapter 3, Acts of the Second Extraordinary Session of 1956, with the sole exception that pursuant to the voters' authorization and approval of this Act, the heretofore prevailing interest rate limitation of three per cent per annum may be disregarded and any or all of said bonds may be sold and issued to bear any interest rate or not exceeding the then prevailing maximum rate as prescribed by statute in and for the Commonwealth generally.

Section 11. *Bonds to mature in thirty years; other details to be established by the State Property and Buildings Commission.* If this Act be approved by a majority of the votes cast thereon at said election, the initial date of issue of the 1960 bonds shall be established by resolution of the State Property and Buildings Commission prior to the first issuance and sale of any of said bonds; and thereafter all of the 1960 bonds, whenever issued, shall be dated as of said date, and shall mature as to principal on or prior to the thirtieth anniversary thereof. The bonds shall be sold for not less than par or face amount and shall bear interest at such rate or rates, but not to exceed the rate referred to in Section 10 hereof, as said Commission may determine, and interest may be made payable semi-annually. The bonds may be issued at one time or from time to time as the State Property and Buildings Commission may determine by its resolution or resolutions; and said Commission shall in its discretion determine all details thereof, including but not by way of limitation, their denominations, whether the bonds shall be of term or serial maturities, and the amount which shall mature on any serial maturity date; whether the bonds, or any of them, shall be subject to redemption prior to stated maturities and upon what terms; place or places of payment of principal and interest, which may be within the Commonwealth or outside thereof; whether interest shall be evidenced by annexed coupons; whether the bonds shall be registered or registerable as to principal or interest, or both, and any other details not contrary to law or inconsistent with this Act which in the discretion of said Commission may appear wise and expedient.

Section 12. *Bonds to be sold at public sale or sales; manner of advertising; interest rates to be established by the Commission, and may be determined on basis of competition.* The bonds shall be sold by the Commission, in its discretion, at one sale or from time to time as funds are required for the identified purposes. Each sale shall be upon sealed purchase bids which shall be publicly opened and considered after solicitation at least ten days in advance by publication of a notice at least one time in a financial newspaper or journal published in the City and State of New York, and at least one time in a daily newspaper published in the Commonwealth and of bona fide general circulation throughout the Commonwealth. The Commission may fix one or more interest rates by resolutions adopted prior to publication of the solicitation notice, or may notify bidders to stipulate in their bids one or more interest rates of their own choosing and fix the rate or rates by resolution when action is taken upon the bids. The Commission shall reserve the right to reject bids.

Section 13. *Bonds exempt from taxation; designation of signing officers; temporary bonds or certificates, no other approvals required.* The bonds and receipt of interest thereon shall be exempt from all taxation by the Commonwealth and its political subdivisions, municipalities and taxing districts. The bonds shall be signed in the name of the Commonwealth by the facsimile signatures of the Governor and Treasurer of the Commonwealth, and the Great Seal of the Commonwealth or a facsimile thereof shall be affixed thereto and attested by the validating manual signature of the Secretary of State, and the interest coupons, if any, shall be executed by the facsimile signature of the Treasurer. In case any officer whose signature or facsimile thereof shall appear on any bonds or coupons shall cease to be such officer before delivery of the bonds, such signature or facsimile thereof shall, nevertheless, be valid and sufficient for all purposes, the same as if he had remained in office until delivery. All bonds issued under this Act shall have and are hereby declared to have all the incidents of negotiable instruments. Prior to the preparation of definitive bonds, the Commission may issue temporary bonds or certificates, exchangeable for definitive bonds when the same shall have been executed and are ready for delivery; and provision may also be made for the replacement of any bonds which shall become multilated, or be destroyed or lost. Bonds may be issued under the provisions of this Act without obtaining the consent of any department, division, commission, board, bureau or agency of the Commonwealth and without any other proceedings or the happening of any conditions, events or things other than the proceedings, conditions, events and things which are specifically required by this Act.

Section 14. As used in this Act, "year" means the fiscal year of the Commonwealth, commencing on the first day of July, and ending on the next ensuing thirtieth day of June, unless the context clearly shows a different meaning.

Calendar

HR 95, **HB 163**, **HB 177**, **HB 335**, **HB 342**, **HB 366**, **HB 466**, **HB 469**, **HB 470**, **HB 471**, **HR 45**, **HB 280**, **HB 394**, **SB 135**, **HB 442**, **HB 476**, **SB 86**, **HR 32**, **HB 351**, **HB 105**, **HB 467**, **HB 464**, **SB 119**, **HB 481**, **HB 357**, and **HB 450** were taken from the Calendar and ordered read at length for the second time. Representative Ray moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

HB 445 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 75—Alexander, Bates, Baumgardner, Brizendine, Burress, C. C. Carter, Earl Carter, Castle, Childress, Chumbler, Clark, Cole, Colley, Cook, Cottengim, Cowherd, Crecelius, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Faulkner, Fields, Fitzpatrick, Ford, Garner, Griffin, Haley, Hall, Hampton, Hardin, Hardwick, Hays, Hill, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, Miller, Moloney, L. F. Morgan, Nichols, Nolan, Osborn, Osting, Peniston, Qualls, Quinn, Rausch, Ray, Render, Roberts, Robinson, Slusher, A. C. Smith, Virgil Smith, Spurrier, Steiger, Stidham, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood. Nays 0. **HB 445** was passed, and the title agreed to.

HB 441 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 74—Alexander, Barton, Bates, Baumgardner, Brizendine, Burress, C. C. Carter, Earl Carter, Castle, Childress, Chumbler, Clark, Cole, Colley, Cook, Cottengim, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Faulkner, Fields, Fitzpatrick, Garner, Griffin, Haley, Hall, Hardin, Hardwick, Hays, Hill, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, Miles, Nichols, Nolan, Osborn, Osting, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Roberts, Robinson, Slusher, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood. Nays 0. **HB 441** was passed and the title agreed to.

HB 431 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 74—Alexander, Bates, Baumgardner, Brizendine, Burress, Earl Carter, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Cottengim, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Fields, Fitzpatrick, Garner, Griffin, Haley, Hall, Hampton, Hardin, Hardwick, Hays, Hill, Houtchens, Hopkins, Irick, Lankford, Lovins, Lyon, Ben Martin, Miles, Miller, L. F. Morgan, Neel, Nichols, Nolan, Osborn, Osting, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood. Nays 0. **HB 431** was passed, and the title agreed to.

HB 434 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Repre-

sentative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 72—Alexander, Barton, Bates, Baumgardner, Brizendine, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Cottengim, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Faulkner, Fields, Fitzpatrick, Garner, Griffin, Haley, Hampton, Hill, Hopkins, Irick, Lankford, Lovins, Lyon, Ben Martin, Miles, Miller, Moloney, Fred Morgan, L. F. Morgan, Neel, Nichols, Nolan, Osborn, Osting, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White, Wood. Nays 0. **HB 434** was passed, and the title agreed to.

HB 370 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 79—Alexander, Barton, Bates, Baumgardner, Brizendine, Burress, C. C. Carter, Earl Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Paul Cornett, Cottengim, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Faulkner, Fields, Fitzpatrick, Garner, Griffin, Haley, Hall, Hampton, Hardwick, Hill, Houtchens, Hopkins, Irick, Isler, Lankford, Lyon, Ben Martin, Miles, Miller, Moorman, Fred Morgan, L. F. Morgan, Neel, Nichols, Nolan, Osborn, Osting, Peniston, Qualls, Quinn, Rausch, Rayburn, Render, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Spurrier, Stacy, Steiger, Stidham, Summe, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood. Nays 0. **HB 370** was passed, and the title agreed to.

HB 407 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 56—Bates, Baumgardner, Brizendine, Earl Carter, Castle, Caudill, Childress, Clark, Cole, Paul Cornett, Cottengim, Cowherd, Crecelius, Davis, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Fields, Fitzpatrick, Garner, Griffin, Haley, Hall, Hardwick, Hays, Hill, Houtchens, Hopkins, Irick, Isler, Lankford, Lyon, Ben Martin, Miles, Miller, Moorman, Fred Morgan, Neel, Osting, Peniston, Quinn, Rausch, Ray, Render, Robinson, Virgil Smith, Stacy, Summe, Tanner, Tucker, G. T. White, J. E. White, Wood. Nays 0. **HB 407** was passed, and the title agreed to.

HB 268 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Quinn moved the Previous Queston on **HB 268.**

On the roll call, the vote was yeas 35—Baumgardner, Buckman, Burress, Caudill, Childress, Cole, Cook, Crecelius, Dobyns, Edmunds, Ellis, Farmer, Faulkner, Fitzpatrick, Haley, Hill, Hopkins, Isler, Lankford, Miles, Miller, Moorman, Osting, Peniston, Quinn, Rausch, Ray, Render, Robinson, Virgil Smith, Stacy, Steiger, Tanner, Tucker, Wood. Nays 13,—Bates, Clark, Cornett, Garner, Hall, Hays, Hislope, Lyon, Neel, Osborn, Spurrier, Stidham, G. T. White. The Previous Question was adopted.

On the roll call, the vote was yeas 42—Barton, Bates, Baumgardner, Buckman, Burress, Earl Carter, Childress, Cole, Cook, Cottengim, Crecelius, Dobyns, Edmunds, Farmer, Faulkner, Fitzpatrick, Hahn, Haley, Hays, Henry, Hill, Hopkins, Isler, Lyon, Ben Martin, Miles, Miller, Neel, Nolan, Osting, Peniston, Quinn, Rausch, Rayburn, Render, Robinson, Stacy, Steiger, Stidham, Summe, Tanner, Wathen. Nays 13—Clark, Cornett, Denham, Ellis, Garner, Hall, Irick, Lankford, Slusher, A. C. Smith, Spurrier, Glen T. White, John E. White. **HB 268** was passed, and the title agreed to.

HB 408 taken from Order of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 55—Barton, Baumgardner, Earl Carter, Castle, Caudill, Childress, Cole, Cook, Cottengim, Crecelius, Davis, Dexter, Dobyns, Edmunds, Ellis, Farmer, Fern, Fields, Fitzpatrick, Ford, Hahn, Haley, Hall, Hardin, Hardwick, Hays, Hinkle, Hislope, Hopkins, Irick, Isler, Lovins, Moorman, Fred Morgan, Nichols, Nolan, Osborn, Osting, Qualls, Quinn, Rausch, Rayburn, Render, Robinson, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Summe, Tanner, Treas, Tucker, G. T. White, Wood. Nays 11—Alexander, Chumbler, Dean, Denham, Garner, Griffin, Henry, Lyon, Peniston, Roberts, Spurrier. **HB 408** was passed and the title agreed to.

HB 455 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 44—Alexander, Bates, Brizendine, Burress, Earl Carter, Castle, Cook, Paul Cornett, Cowherd, Dean, Denham, Ellis, Ford, Garner, Griffin, Hahn, Haley, Hall, Hardin, Hardwick, Hays, Henry, Hinkle, Hislope, Houtchens, Isler, Lyon, Miles, Moloney, Moorman, Fred Morgan, L. F. Morgan, Neel, Nichols, Nolan, Osborn, Rayburn, Spurrier, Stacy, Summe, Wathen, G. T. White, J. E. White, Young. Nays 23 – Baumgardner, C. C. Carter, Childress, Chumbler, Clark, Colley, Crecelius, Edmunds, Farmer, Fields, Lankford, Miller, Osting, Peniston, Quinn, Rausch, Ray, Roberts, Robinson, A. C. Smith, V. Smith, Steiger, Wood. **HB 455** was passed and the title agreed to.

HB 334 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 75–Barton, Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Earl Carter, Castle, Childress, Chumbler, Clark, Cole, Colley, Cook, Paul Cornett, Cottengim, Cowherd, Crecelius, Davis, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Faulkner, Fern, Fields, Fitzpatrick, Garner, Hahn, Haley, Hall, Hampton, Hardin, Hardwick, Hays, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, Miles, Miller, Moorman, L. F. Morgan, Neel, Nichols, Nolan, Osborn, Osting, Peniston, Qualls, Quinn, Rausch, Ray, Render, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Steiger, Summe, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 0. **HB 334** was passed, and the title agreed to.

HB 330 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Buckman moved to amend **HB 330** as follows: "Amend printed copy of HB 330 on page 4, section 4, line 21 by deleting the figure "$100.00" and inserting in lieu thereof the figure "$50.00". Agreed.

On the roll call, the vote was yeas 46 – Bates, Baumgardner, Buckman, Earl Carter, Childress, Cook, Cottengim, Cowherd, Davis, Dean, Dexter, Dobyns, Farmer, Faulkner, Fern, Fitzpatrick, Griffin, Hahn, Haley, Hall, Hardin, Hinkle, Houtchens, Hopkins, Isler, Miles, Miller, Moloney, Moorman, Fred Morgan, L. F. Morgan, Neel, Nolan, Ostertag, Osting, Quinn, Rausch, Rayburn, A. C. Smith, Stacy, Steiger, Stidham, Summe, Treas, Wathen, Young. Nays 18 – Barton, Brizendine, Burress, Clark, Denham, Edmunds, Ellis, Garner, Hill, Irick, Osborn, Peniston, Roberts, Slusher, Spurrier, Tucker, G. T. White, Wood. **HB 330** was passed, and the title agreed to.

HB 250 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Ray moved to adopt substitute to **HB 250.** Agreed.

On the roll call, the vote was yeas 60—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, Burress, Earl Carter, Caudill, Childress, Clark, Cole, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Dowell, Ellis, Farmer, Fern, Fields, Ford, Haley, Harris, Henry, Hill, Hinkle, Houtchens, Hopkins, Irick, Miles, Miller, Moloney, Moorman, Fred Morgan, L. F. Morgan, Neel, Nichols, Osborn, Osting, Peniston, Qualls, Quinn, Rausch, Ray, Render, Roberts, A. C. Smith, J. D. Smith, Virgil Smith, Steiger, Stidham, Tanner, Treas, Tucker, Wathen, G. T. White, Wood. Nays 27 – C. C. Carter, Castle, Chumbler, Colley, Cook, Cornett, Cowherd, Edmunds, Faulkner, Garner, Griffin, Hall, Hardin, Harwick, Hays, Hislope, Isler, Lankford, Lyon, Ben Martin, Nolan, Ostertag, Robinson, Spurrier, Stacy, Summe, Young. **HB 250** was passed and the title agreed to.

HB 439 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Lowman moved to amend **HB 439** as follows: "Amend printed copy of **HB 439** on page 7, section 6, lines 1 through and including 7 by striking out all of Section 6 and on Page 7, Section 7, lines 1 and 2 by striking out all of Section 7 and substituting the following: "Section 6. Sections 15.110, 15.115, 15.120 and 15.140 of the Kentucky Revised Statutes are hereby repealed." Agreed. Representative Lowman moved to amend **HB 439** as follows: "Amend printed copy of **HB 439** on pages 3 and 4, Article II, lines 1 through 16 by deleting Article II in its entirety and renumbering the ensuing articles accordingly." Agreed.

On the roll call, the vote was yeas 70—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, Childress, Chumbler, Clark, Cole, Colley, Cottengim, Cowherd, Crecelius, Dean, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Fern, Fields, Fitzpatrick, Garner, Hahn, Haley, Hampton, Hardin, Hill, Hinkle, Houtchens, Hopkins, Irick, Isler, Lankford, Lyon, Ben Martin, Miller, Moloney, Moorman, L. F. Morgan, Neel, Nichols, Nolan, Osborn, Osting, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Stidham, Summe, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 0. **HB 439** was passed, and the title agreed to.

HB 151 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Repre-

sentative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Hinkle moved to amend **HB 151** as follows: "Amend printed copy of **HB 151** on page 1, section 1, line 11 by deleting the words "of any nature". Also, following line 11, insert the following: "(5) "Structure" means residence, barn, storehouse, garage, outbuilding of any kind, or fence." Agreed.

On the roll call, the vote was yeas 66—Barton, Bates, Buckman, Burress, C. C. Carter, Childress, Chumbler, Clark, Cole, Colley, Cottengim, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Farmer, Faulkner, Fern, Fields, Fitzpatrick, Garner, Hahn, Haley, Hampton, Hardin, Hays, Hill, Hinkle, Houtchens, Hopkins, Irick, Isler, Lankford, Lyon, Ben Martin, Miles, Miller, Moorman, L. F. Morgan, Nolan, Peniston, Qualls, Ray, Rayburn, Render, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Spurrier, Stacy, Stidham, Summe, Treas, Tucker, G. T. White, J. E. White, Wood, Young. Nays 5 — Castle, Ellis, Griffin, Hislope, Cornett. **HB 151** was passed, and the title agreed to.

HB 451 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 65—Baumgardner, Buckman, C. C. Carter, Castle, Caudill, Childress, Clark, Cole, Cottengim, Crecelius, Davis, Dean, Dexter, Dobyns, Dowell, Ellis, Fern, Fields, Fitzpatrick, Ford, Garner, Hahn, Haley, Hall, Hampton, Hardin, Hays, Henry, Hinkle, Houtchens, Hopkins, Irick, Isler, Lyon, Ben Martin, Miles, Miller, Moorman, Fred Morgan, L. F. Morgan, Neel, Nichols, Nolan, Osborn, Osting, Peniston, Quinn, Rausch, Ray, Render, Roberts, Robinson, A. C. Smith, Virgil Smith, Stacy, Steiger, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 4 — Bates, Edmunds, Denham, Alexander. **HB 451** was passed, and the title agreed to.

HB 358 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 78—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Earl Carter, Castle, Caudill, Childress, Clark, Cole, Colley, Paul Cornett, Cowherd, Crecelius, Dean, Dexter, Dobyns, Dowell, Edmunds, Ellis, Faulkner, Fern, Fields, Fitzpatrick, Garner, Hahn, Haley, Hall, Hampton, Hardin, Hardwick, Hays, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, L. F. Morgan, Neel, Nichols, Nolan, Osborn, Osting, Peniston, Quinn, Rausch, Ray, Rayburn, Render, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Treas, Tucker, G. T. White, J. E. White, Wood, Young. Nays 0. **HB 358** was passed, and the title agreed to.

HB 426 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 72—Alexander, Barton, Bates, Baumgardner, Buckman, C. C. Carter, Earl Carter, Castle, Caudill, Childress, Cole, Colley, Cook, Cottengim, Cowherd, Crecelius, Dean, Dexter, Dobyns, Dowell, Edmunds, Ellis, Faulkner, Fern, Fields, Fitzpatrick, Ford, Garner, Griffin, Hahn, Haley, Hall, Hampton, Hardin, Hardwick, Hinkle, Houtchens, Hopkins, Isler, Lankford, Lovins, Lyon, Ben Martin, Miles, Miller, Moorman, Fred Morgan, L. F. Morgan, Nichols, Nolan, Osborn, Osting, Peniston, Quinn, Ray, Render, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Spurrier, Stacy, Steiger, Stidham, Summe, Treas, Tucker, G. T. White, J. E. White, Wood. Nays 2 – Denham and Young. **HB 426** was passed, and the title agreed to.

HB 361 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 80—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, Burress, C. C. Carter, Earl Carter, Castle, Childress, Chumbler, Clark, Cole, Colley, Cook, Paul Cornett, Cowherd, Crecelius, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Fern, Fields, Fitzpatrick, Ford, Garner, Hahn, Haley, Hall, Hampton, Hardin, Hardwick, Hays, Hinkle, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, L. F. Morgan, Neel, Nichols, Nolan, Osborn, Osting, Peniston, Quinn, Rausch, Ray, Rayburn, Render, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Treas, Tucker, G. T. White, J. E. White, Wood, Young. Nays 0. **HB 361** was passed, and the title agreed to.

HB 127 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 77—Alexander, Bates, Baumgardner, Brizendine, Buckman, Burress, C. C. Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Cottengim, Cowherd, Crecelius, Davis, Dean, Dexter, Dobyns, Dowell, Edmunds, Ellis, Faulkner, Fern, Fields, Fitzpatrick, Garner, Hahn, Haley, Hall, Hampton, Hardin, Hardwick, Hill, Hinkle, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, L. F. Morgan, Neel, Nichols, Nolan, Osborn, Peniston, Quinn, Rausch, Ray, Rayburn, Render, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Spurrier, Stacy, Steiger, Stidham, Summe, Treas, Tucker, G. T. White, J. E. White, Wood, Young. Nays 0. **HB 127** was passed, and the title agreed to.

HB 456 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 66—Alexander, Bates, Baumgardner, Brizendine, Burress, C. C. Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Paul Cornett, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Fern, Fields, Fitzpatrick, Ford, Garner, Hahn, Haley, Hall, Hampton, Hardin, Hays, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, Miles, Moloney, Moorman, Fred Morgan, L. F. Morgan, Neel, Nichols, Nolan, Peniston, Quinn, Ray, Rayburn, Render, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 0. **HB 456** was passed, and the title agreed to.

HB 413 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 82—Alexander, Bates, Baumgardner, Brizendine, Buckman, Burress, C. C. Carter, Earl Carter, Castle, Childress, Chumbler, Clark, Cole, Colley, Cook, Cottengim, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Fern, Fields, Fitzpatrick, Ford, Hahn, Haley, Hampton, Hardin, Hardwick, Hays, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, L. F. Morgan, Neel, Nichols, Nolan, Osborn, Osting, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Treas, Tucker, G. T. White, J. E. White, Wood, Young. Nays 0. **HB 413** was passed, and the title agreed to.

HB 29 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Repre-

sentative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Lowman moved to amend **HB 29** as follows: "Amend printed copy of **HB 29** on page 1 At the end of the bill add the following new section: "An emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor."

Representative Ray moved the Previous Question on **HB 29.** Agreed.

On the roll call, the vote was yeas 52—Alexander, Bates, Baumgardner, Brizendine, Buckman, Earl Carter, Childress, Colley, Cook, Paul Cornett, Cottengim, Crecelius, Denham, Dexter, Dobyns, Dowell, Ellis, Farmer, Fern, Fields, Fitzpatrick, Ford, Haley, Hampton, Henry, Hill, Hinkle, Hopkins, Irick, Isler, Lowman, Ben Martin, Miles, Moloney, Moorman, Neel, Nichols, Peniston, Quinn, Rausch, Ray, Rayburn, Roberts, Robinson, J. D. Smith, Stacy, Steiger, Summe, Tucker, Wathen, Wood, Young. Nays 24 – Barton, C. C. Carter, Castle, Caudill, Clark, Cowherd, Davis, Dean, Edmunds, Hahn, Hardin, Hays, Hislope, Houtchens, Lankford, Lovins, Lyon, Fred Morgan, Nolan, Qualls, Slusher, V. Smith, G. T. White, J. E. White. **HB 29** was passed, and the title agreed to.

Representative Fitzpatrick moved that the vote by which said bill was passed be reconsidered and said motion be laid on the table. Agreed.

HB 398 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 71—Alexander, Barton, Bates, Baumgardner, Brizendine, Earl Carter, Castle, Childress, Chumbler, Clark, Cook, Cottengim, Crecelius, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Fern, Fields, Fitzpatrick, Ford, Hahn, Haley, Hall, Hampton, Hays, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, Miles, Moorman, L. F. Morgan, Neel, Nichols, Nolan, Osborn, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Roberts, Robinson, Slusher, J. D. Smith, Virgil Smith, Stacy, Steiger, Summe, Tanner, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 0. **HB 398** was passed, and the title agreed to.

Introduction of Bills

HB 501, by Representative Lowman: AN ACT relating to the compensation of county commissioners serving on fiscal courts.

HB 502, by Representative Ford: AN ACT relating to registration and purgation.

HB 503, by Representatives Robinson, Ben Martin and Castle: AN ACT relating to lien of employees on property of a mine, railroad, public improvement company, manufacturing establishment or other business and persons furnishing supplies for operation of a railroad.

HB 504, by Representative Osborn: AN ACT relating to child labor.

HB 505, by Representative Ray: AN ACT relating to revenue and taxation, making an appropriation therefor, and also making an appropriation to the Capital Construction Fund.

HB 506, by Representatives Roberts and Cook: AN ACT relating to operators' licenses.

HB 507, by Representative Osborn: AN ACT relating to the jurisdiction of the Board of Trustees of the University of Kentucky and the Board of Regents of the State colleges, and amending KRS 164.220, 164.225, 164.360 and 164.365.

HB 508, by Representative Nolan: AN ACT relating to the auditing of accounts of boards of education.

HB 509, by Representative Quinn: AN ACT relating to Metropolitan Sewer Districts.

HB 510, by Representative Ford: AN ACT relating to political parties, and declaring an emergency.

HB 511, by Representatives Quinn, Rausch, Childress and Farmer: AN ACT relating to commissioners and receivers.

HB 512, by Representative Hardin: AN ACT relating to publication of legal notices.

Representative Ray moved to adjourn until 1:00 P.M., March 9. Agreed.

FIFTY-SECOND LEGISLATIVE DAY

WEDNESDAY, MARCH 9, 1960

The House was called to order by the Speaker.

Invocation by the Reverend Morris Mounts of the Church of Christ of Elkhorn City.

The roll was called. All present except Representatives Earl Carter, Caudill, Cowherd, Davis, Dean, Dexter, Farmer, Faulkner, Griffin, Hardwick, Harris, Hill, Houtchens, Ben Martin, Miles, Miller, Fred Morgan, Osborn, Ostertag, Parrish, Quinn, Reynolds, Steiger, Tanner, and Wood, who were granted leave of absence on motion of Representative Lyon.

Reading of Journal for March 8, 1960, dispensed with and the same approved on motion of Representative Isler.

Report on Enrolled Bills

Committee on Enrollment reported **HB 17, HB 32, HB 260,** and **HB 300,** have been examined and found correctly enrolled. **HB 17, HB 32, HB 260** and **HB 300** read at length, compared and signed in open session by the Speaker. Ordered delivered to the Senate. **HB 17, HB 32, HB 260** and **HB 300** delivered, signed by President of the Senate. Ordered delivered to the Governor.

Motions, Petitions and Communications

Representative Ray moved the adoption of **SR 47.** Agreed.

SR 47, A CONCURRENT RESOLUTION memorializing the Congress of the United States of America to consider appropriate legislation to prohibit the construction of bridges across the Ohio River which do not have adequate clearance for river traffic.

WHEREAS, 73,476,894 tons of domestic freight was moved over the Ohio River in 1958 and preliminary calculations indicate an even greater amount in 1959; and,

WHEREAS, the utility of this artery of transportation is threatened by the erection of more bridges across the Ohio River which, because of inadequate clearance, impede the river traffic; and,

WHEREAS, the development of this nation's natural resources, the prosperity and economic development of the Ohio River Valley, and interests of national defense depend upon the full utilization of this waterway;

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky the House of Representatives concurring therein:

Section 1. That the Congress of the United States of America be, and it hereby is, memorialized to consider appropriate legislation to prohibit the construction of bridges which do not have adequate clearance for river traffic across the Ohio River.

Section 2. That the Clerk of the Senate be directed to forward copies of this Resolution to the United States Senators and Representatives elected from Kentucky, and to the Speaker of the House of Representatives and the President of the Senate of the Congress of the United States.

HR 108, by Representatives Render, G. T. White, Clark, Denham, Brizendine.

HR 108, A CONCURRENT RESOLUTION commending the basketball team of Western State College.

WHEREAS, the basketball team of Western State College has defeated its first opponent in the National Collegiate Athletic Association Basketball Tournament; and

WHEREAS, the team was magnificent in victory and has stepped into the field of the elite in collegiate basketball; and

WHEREAS, the team is upholding the honor of the Commonwealth of Kentucky in the field of basketball in the manner in which all Kentuckians can be proud;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the basketball team of Western State College be, and it hereby is, commended on its conspicuous debut in the 1960 NCAA Basketball Tournament, and that the members and coach of the team be informed by this Resolution that the members of the General Assembly send to them their sincere best wishes for complete success in the team's attempt to gain the highest peak of basketball honors in the United States.

Section 2. That the Clerk of the House of Representatives cause copies of this Resolution to be sent to Coach Ed Diddle and the members of his illustrious team.

Representative Render moved the adoption of **HR 108.** Agreed.

Representative Ray moved the adoption of **SR 41.** Agreed.

SR 41, A CONCURRENT RESOLUTION for Commemoration of the Sesquicentennial Anniversary of the War of 1812 in The Old Northwest 1962-1963.

WHEREAS, it is proposed to commemorate the Sesquicentennial Anniversary of the War of 1812 in the Old Northwest during the years 1962-1963; and

WHEREAS, plans for said commemoration are now being formulated by an interim committee of the War of 1812, composed of representatives of various historical, patriotic, educational and other societies and organizations, especially interested in the project; and

WHEREAS, said interim committee has recommended that state committees be appointed to participate in said project, the chairmen thereof to compose a National Committee which will, in turn, seek federal recognition and cooperation; and

WHEREAS, Kentucky played a prominent part in the War of 1812 under the leadership of Governor Isaac Shelby; and

WHEREAS, it is desirable and proper that Kentucky participate in the Commemoration of the War of 1812;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That a committee be appointed for the purpose of cooperating with other state committees in the planning and execution of the Commemoration of the Sesquicentennial Anniversary of the War of 1812 in The Old Northwest during 1962-1963; and

Section 2. The name of said committee shall be The Kentucky Committee for the Commemoration of the War of 1812; and

Section 3. Said Committee shall be composed of a representative from each of such historical, patriotic, educational, civic, and other organizations, as shall be determined by the Governor of Kentucky; and

Section 4. The Governor of Kentucky, the Honorable Bert Combs, be and he is hereby authorized to name and appoint the members of said Commmittee, and designate the chairman thereof, and to fill vacancies, if any, thereon; and

Section 5. The Kentucky Committee for the Commemoration of The War of 1812 shall continue to function through 1963, with powers to cooperate with other similar State Committees; to arrange programs for the commemoration; to receive donations for the furtherance and execution of the project; and to expend any such funds in such manner as the Committee shall determine.

HR 109, by Representative Ray:

HR 109, A RESOLUTION declaring adjournment on March 9 to be in honor of Donald Turner.

WHEREAS, Donald Turner has rendered many courtesies to the Pages of the House, and

WHEREAS, today is his seventeenth birthday,

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky:

That when the House of Representatives adjourns today, it does so in honor of Donald Turner.

Representative Ray moved the adoption of **HR 109.** Agreed.

HR 106, by Representative Osting:

HR 106, A CONCURRENT RESOLUTION relating to the Kentucky Industries for the Blind.

WHEREAS, the Kentucky Industries for the Blind is composed of active, self-respecting citizens of the Commonwealth who, though handicapped, desire to support themselves financially, and

WHEREAS, the principal occupation of these industries is the manufacture of mops, brooms, and other light equipment, and

WHEREAS, as a result of the loss of business suffered by the Kentucky Industries for the Blind, twenty-five of our blind citizens have been deprived of employment,

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the General Assembly of the Commonwealth of Kentucky and the executive departments of state government are urged to purchase or cause to be purchased mops, brooms, and other light equipment from the Kentucky Industries for the Blind, in order that these industrious citizens can return to their employment.

Section 2. That the General Assembly of the Commonwealth of Kentucky and the executive departments of state government are urged to adopt as public policy purchases from the Kentucky Industries for the Blind.

Representative Osting moved the adoption of **HR 106.** Agreed.

HR 107, by Representatives A. C. Smith, and V. Smith.

HR 107, A CONCURRENT RESOLUTION extending an expression of appreciation to the Governor, the heads of all departments and agencies, the staff of the Legislative Research Commission and other state employes.

WHEREAS, the General Assembly has been in session for the past nine weeks; and,

WHEREAS, during this period the members of the General Assembly have been extended the assistance and co-operation of the Governor, the heads of the state agencies and departments, the staff of the Legislative Research Commission and other state employes; and,

WHEREAS, this assistance and co-operation has been of great value to the General Assembly,

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

That an expression of appreciation be, and hereby is, extended to the Governor, the heads of all state agencies and departments, the staff of the Legislative Research Commission and all other state employes for the courtesies, assistance and co-operation that they have given to the members of the General Assembly.

Representative A. C. Smith moved the adoption of **HR 107.** Agreed.

Senate Message

Announcing passage of **SR 52, SB 208, SB 219, SB 180** and **HB 64, HB 211, HB 244** and **HB 273.**

Report of Committee

Committee on Rules reported **HB 437** and **HB 505** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 437, AN ACT relating to education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 157.320 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 157.310 to 157.440, unless the context otherwise requires:

(1) "Average daily attendance" means the aggregate days attended by pupils in a public school, divided by the actual number of days the school is in session for the year;

(2) "Average daily membership" means the aggregate days of membership of pupils in a public school divided by the actual number of days the school is in session for the year;

(3) "Board" means the board of education of any county or independent school district;

(4) "Classroom unit" means the unit for measuring educational needs for foundation program purposes;

(5) "District" means any school district as defined by law;

(6) "Elementary school" means a school consisting of grades one through eight, or any appropriate combination of grades within this range, as determined by the plan of organization for schools authorized by the district board;

(7) "Foundation program" means the level of educational services and facilities, as defined in KRS 157.310 to 157.440, which is to be provided in each district from the required local tax effort and the public school foundation program fund;

(8) "Isolated school" means an elementary or secondary school which had fewer than one hundred pupils in average daily attendance during the previous school year and which meets such standards for isolation as shall be prescribed by the regulations of the State Board of Education, based on factors to include distance by the nearest passable road from another appropriate school center which is able

to receive the pupils, and the time for transportation necessary to attend another school;

(9) "Public school foundation program fund" means the fund created by KRS 157.330 for use in financing education in public elementary and secondary schools;

(10) "Regulations of the State Board of Education" means those regulations which the State Board of Education may adopt upon the recommendation and with the advice of the Superintendent of Public Instruction. The Superintendent of Public Instruction shall recommend for adoption of the State Board of Education such rules and regulations as he deems necessary for carrying out the purposes of KRS 157.310 to 157.440;

(11) "Required local tax effort" means the amount of money required to be provided by a district from local revenue sources;

(12) "Secondary school" means a school consisting of grades seven through twelve, or any appropriate combination of grades within this range as determined by the plan of organization for schools authorized by the district board. When grades seven through nine or ten are organized separately as a junior high school, or grades ten through twelve are organized separately as a senior high school and are conducted in separate school plant facilities, each shall be considered a separate secondary school for the purposes of KRS 157.310 to 157.440;

(13) "Single salary schedule" means a schedule adopted by a local board and approved by the State Board of Education upon recommendation of the Superintendent of Public Instruction, which is based on training, experience and such other factors as the State Board of Education may approve and which does not discriminate between salaries paid elementary and secondary teachers; and

(14) "Teacher" means any regular or special teacher, principal, supervisor, superintendent, assistant superintendent, librarian, director of pupil personnel, or other member of the teaching or professional staff engaged in the service of the public elementary and secondary school for whom certification is required as a condition of employment.

Section 2. Section 157.350 of the Kentucky Revised Statutes is amended to read as follows:

Each district which meets the following requirements shall be eligible to share in the distribution of funds from the public school foundation program fund:

(1) Employs and compensates all teachers for not less than 185 days, provided, that the State Board of Education, upon recommendation of the Superintendent of Public Instruction, shall prescribe procedures whereby this requirement may be reduced during any year for any district which employs teachers for less than 185 days, in which case the eligibility of a district for participation in the public

school foundation program shall be in proportion to the length of time teachers actually are employed.

(2) Operates all schools for a term as provided in KRS 158.070 and regulations of the State Board of Education, provided, however, that if the school term is less than 185 days for any reason approved by the State Board of Education on recommendation of the Superintendent of Public Instruction the eligibility of a district for participation in the public school foundation program fund shall be in proportion to the length of term the schools actually operate;

(3) Compensates all teachers on the basis of a single salary schedule and in conformity with the provisions of this Act;

(4) Makes the required local tax effort except as otherwise provided by subsection (3) of KRS 157.400;

(5) Includes no nonresident pupils in its average daily attendance, except by written agreement with the district of the pupils' legal residence.

Section 3. Section 157.360 of the Kentucky Revised Statutes is amended to read as follows:

(1) In determining the cost of the foundation program for each district, the Superintendent of Public Instruction shall allot to each district classroom units for elementary and secondary schools, classroom units for vocational education, classroom units for special instructional services for exceptional children, classroom units for superintendents, principals and their certificated assistants and special instructional service personnel, classroom units for supervisors of instruction, and classroom units for directors of pupil personnel; provided, however, that the number of classroom units allotted any district shall not exceed the number of teachers employed by the district.

(2) In allotting classroom units for elementary and secondary schools, one classroom unit shall be included for each twenty-seven pupils in average daily attendance; provided, however, that one classroom unit shall be included for each isolated one-teacher school and one unit shall be included for each twenty-five pupils in average daily attendance at all other isolated schools; provided, however, that one twenty-seventh of a classroom unit shall be included for each pupil in average daily attendance at Lincoln Institute if such attendance is under provisions of a written contract between Lincoln Institute and the district of the pupils' legal residence.

(3) Allotments of classroom units in accordance with subsection (1) of this section shall be made on the average daily attendance for the previous school year; provided, however, that if the average daily attendance in any district for the first two months of the current school year is greater than the average daily attendance of the district for the first two months of the previous school year, upon application of the district board, made prior to December 1, the total number of classroom units allotted the district shall be increased by

the percent of increase; and provided further, that if the average daily attendance of any district shall have been reduced more than three percent during the previous school year due to such factors as epidemics, inclement weather, or disaster, upon application of the district superintendent, made before July 1 of that year, the number of classroom units allotted the district for the ensuing school year shall be increased by the difference in percent between the ratio of the average daily attendance to the average daily membership for the scholastic year just ended, and the ratio of the average daily attendance to the average daily membership for the two highest of the three preceding scholastic years.

(4) In allotting classroom units for vocational education, one classroom unit shall be allotted for each full-time teacher, and a proportionate fraction of a classroom unit shall be allotted for each less than full-time teacher of vocational classes that meet the regulations of the State Plan of Vocational Education as approved by the State Board of Education; a proportionate fraction of a classroom unit shall be allotted for each teacher employed to teach evening, part-time, or short unit classes for less than a school day or a school year that meet the regulations of the State Plan of Vocational Education as approved by the State Board of Education.

(5) In allotting classroom units for special instructional services for exceptional children, one classroom unit shall be included for each teacher approved to teach such children in accordance with the provisions of law and regulations of the State Board of Education.

(6) In allotting classroom units for superintendents, principals, their certificated assistants, and special instructional service personnel, the total number of classroom units allotted in subsections (2), (4), and (5) shall be divided by eight and the quotient shall be the number of classroom units alloted to the district for superintendents, principals, their certificated assistants and such special instructional service personnel as are authorized by regulations of the State Board of Education.

(7) In allotting classroom units for supervisors of instruction, one-half of a classroom unit shall be allotted each district which is allotted twenty-five through forty-nine classroom units under subsections (2), (4), and (5); one unit shall be allotted each district which is allotted fifty to one hundred classroom units, one unit shall be allotted for each one hundred classroom units, or major fraction thereof, in districts allotted more than one hundred classroom units under these subsections.

(8) In allotting classroom units for directors of pupil personnel, one classroom unit shall be allotted each district which is allotted thirty-six to one hundred and sixty-six classroom units under subsection (2) and a unit for each additional two hundred and sixty-six classroom units or fraction thereof allotted under subsection (2). For

districts having fewer than thirty-six classroom units, a proportionate fraction of a classroom unit shall be allotted.

(9) In allotting classroom units under subsections (1) through (8) the Superintendent of Public Instruction, under regulations of the State Board of Education, may allot units on the basis of an area larger than a district for educational services which cannot be adequately and economically provided on a district basis.

Section 4. Section 157.370 of the Kentucky Revised Statutes is amended to read as follows:

(1) In determining the cost of the Foundation Program for each district, the Superintendent of Public Instruction shall determine the average cost per pupil per day of transporting pupils in districts having a similar density of transported pupils per square mile of area served by not less than nine different density groups.

(2) The annual cost of transportation shall include all current costs for each district plus annual depreciation of pupil transportation vehicles calculated in accordance with the regulations of the State Board of Education for such districts that operate district-owned vehicles.

(3) The aggregate and average daily attendance of transported pupils shall include all public school pupils transported at public expense who live one mile or more from school, provided that handicapped children may be included who live less than this distance from school. The aggregate and average daily attendance referred to in this subsection shall be the aggregate and average daily attendance of transported pupils the prior year adjusted for current year increases in accordance with State Board of Education regulations.

(4) The square miles of area served by transportation shall be determined by subtracting from the total area in square miles of the district the area not served by transportation, determined in accordance with the regulations of the State Board of Education provided that if one district authorizes another district to provide transportation for a part of its area, such area served shall be deducted from the area served by that district and added to the area served by the district providing the transportation.

(5) The density of transported pupils per square mile of area served for each district shall be determined by dividing the average daily attendance of transported pupils by the number of square miles of area served by transportation.

(6) The Superintendent of Public Instruction shall determine the average cost per pupil per day of transporting pupils in districts having a similar density by constructing a smoothed graph of cost for all density groups as provided in paragraph one. This graph shall be used to construct a scale showing the average costs of transportation for districts having a similar density of transported pupils. Such costs shall be determined separately for county school districts and independent school districts, provided that no independent school

district will receive an average cost per pupil per day in excess of the minimum received by any county district or districts. These costs shall be the cost per pupil per day of transported pupils included in the Foundation Program and such costs shall be recalculated each biennium.

(7) The scale of transportation costs included in the Foundation Program for county and independent districts is determined in accordance with the provisions of this Act for the biennium beginning July 1, 1960.

Section 5. Section 157.380 of the Kentucky Revised Statutes is amended to read as follows:

(1) On or before July 1 of each year the Department of Revenue shall determine the aggregate assessed value of all property subject to assessment for school tax purposes, and shall determine the percentage the equalized value of property in each district is of the total equalized value of all property in the Commonwealth subject to taxation for school purposes and shall certify such information to the Superintendent of Public Instruction for use in determining the required local tax effort for each district. If such assessment has not become final by July 1 of any year, the Department of Revenue shall, on the basis of other information as may be available, make an estimate of the assessment of all property subject to local school tax in each school district and the estimate shall be used in lieu of the aggregate assessed value.

(2) In determining the required local tax effort for districts which participate in the public school foundation program fund, the Superintendent of Public Instruction shall divide the aggregate assessed value of all property in the Commonwealth subject to taxation for school purposes by one hundred and multiply the quotient thereof by one dollar and ten cents. The product thereby obtained shall be multiplied by each district's percentage of the total equalized value of all property in the Commonwealth subject to taxation for school purposes.

(3) Any district's levy shall be at such rate as is necessary to provide the required local tax effort.

Section 6. Section 157.390 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Superintendent of Public Instruction, under regulations of the State Board of Education, shall classify teachers in rank as follows:

Rank I. Those holding regular certificates and who have a master's degree and who have earned twenty-four semester hours of additional approved graduate work;

Rank II. Those holding regular certificates and who have a master's degree or its equivalent;

Rank III. Those holding regular certificates and who have an approved four-year college degree or the equivalent;

Rank IV. Those holding certificates and who have ninety-six to one hundred and twenty-eight semester hours of approved college training or the equivalent; provided, however, that persons holding emergency certificates shall not be classified higher than this rank;

Rank V. Those holding certificates and who have sixty-four to ninety-five semester hours of approved college training or the equivalent;

Rank VI. Those holding certificates and who have thirty-two to sixty-three semester hours of approved college training or the equivalent;

Rank VII. Those holding certificates and who have fewer than thirty-two semester hours of approved college training or the equivalent.

In determining ranks, the Superintendent of Public Instruction, under regulations of the State Board of Education, shall classify teachers who hold valid certificates in the respective ranks according to approved college semester hours of credit. The Superintendent of Public Instruction, in defining preparation for certain types of vocational teachers as equivalent to college training, shall give consideration to apprenticeship training and industrial experience.

(2) The amount to be included in the 1960-61 school year in the Foundation Program of a district for teachers' salaries shall be determined by multiplying the number of teachers in each rank, not to exceed the number of classroom units allowed, by the amount set fourth in the following schedule for each rank:

Rank I	$4400
Rank II	4100
Rank III	3800
Rank IV	2800
Rank V	2500
Rank VI	2100
Rank VII	1800

Beginning with the school year 1961-62, the amount to be included in the Foundation Program of a district for teachers' salaries shall be determined by multiplying the number of teachers in each rank, not to exceed the number of classroom units allowed, by the amount set forth in the following allotment schedule for each rank:

Rank I	$4600
Rank II	4300
Rank III	4000
Rank IV	2900
Rank V	2600
Rank VI	2200
Rank VII	1900

Provided, the amount to be included for vocational units, supervisory units, and units for administrators, directors of pupil personnel and special instructional services shall be increased proportionately if the personnel for such units are employed for longer than the regular school term and such employment is approved by the Superintendent of Public Instruction under regulations of the State Board of Education. Where the actual number of teachers employed by the district varies from the number allowed under the provisions of KRS 157.310 to 157.440, the number to be included in each rank shall be in the same ratio that the number of teachers actually in each rank is to the total number of teachers employed.

(3) The amount to be included in the foundation program for other current expenses shall be determined by multiplying the number of classroom units by nine hundred dollars.

(4) The amount to be included in the foundation program for capital outlay shall be determined by multiplying the number of classroom units by six hundred dollars.

(5) The amount to be included in the Foundation Program of each district for tranportation shall be determined by multiplying the aggregate attendance of transported children by the allowable cost per pupil per day for that district determined in accordance with the provisions of KRS 157.370.

(6) The total cost of the foundation program for each district shall be the sum of the allotments in subsections (2), (3), (4), and (5) of this section.

Section 7. Section 157.400 of the Kentucky Revised Statutes is amended to read as follows:

(1) The amount of money distributable to each district from the public school foundation program fund shall be determined by subtracting the required local tax effort from the total foundation program allotment for the district as determined in KRS 157.390.

(2) If it shall be determined in KRS 157.400 subsection (1) that the amount of money distributable to a school district for the school year 1960-61 shall be less than $120 per pupil in average daily attendance and, beginning in the 1961-62 school year, that the amount of money distributable to a school district shall be less than $125 per pupil in average daily attendance, then the apportionment for that district shall be increased to $120 per pupil in average daily attendance and, beginning in the 1961-62 school year, then the apportionment for that district shall be increased to $125 per pupil in average daily attendance; provided, however, if a district fails to provide the total potential classroom units under KRS 157.360 subsections (2), (6), (7) and (8) and at least as many classroom units under KRS 157.360 subsections (4) and (5) as were provided in 1955-56, any increase in the apportionment called for in this subsection shall be reduced to the extent that the district fails to provide the classroom units.

The average daily attendance referred to in this subsection shall be the prior year average daily attendance of the district adjusted proportionally for any increase in classroom units allotted the district under provisions of KRS 157.360 subsection (2).

The classroom units requirement under this subsection relating to classroom units under KRS 157.360 subsections (4) and (5) may be waived for any district by the Superintendent of Public Instruction when it is shown that the need for these educational services no longer exists.

(3) In the event a district whose appropriation is increased under subsection (2) of this section is allotted classroom units under KRS 157.360 subsection (4) and (5) in excess of the number of such units allotted that district in 1955-56, then the allotment to that district determined in subsection (2) of this section shall be increased by the Foundation Program cost of these units determined in accordance with KRS 157.390 subsections (2), (3) and (4).

(4) If the allotment to a school district as determined in KRS 157.400 subsection (2) and (3) is an amount less than $35 per pupil in average daily attendance plus the allotment for that school district in 1959-60, then the allotment shall be increased by an amount necessary to provide a final amount equal to the 1959-60 allotment plus $35 per pupil in average daily attendance; provided, however, if a district fails to provide the total potential classroom units under KRS 157.360 subsections (2), (6), (7) and (8) and at least as many classroom units under KRS 157.360 subsections (4) and (5) as were provided in 1955-56, any increase in the apportionment called for in this subsection shall be reduced to the extent that the district fails to provide the classroom units.

(5) If a district fails for any reason to make the required local tax effort, as provided in KRS 157.380, the amount of the apportionment of the public school foundation program fund to be paid to such district under subsections (1), (2), (3) and (4) of this section shall be reduced by the percentage of loss from the required local tax effort.

(6) So much of the public school foundation program fund which would not be distributed under subsections (1) through (5) inclusive of this section, due to the failure of one or more participating districts to meet the full requirements, shall be held in the account for distribution the following year among districts which meet the requirements for participation.

Section 8. Section 157.420 of the Kentucky Revised Statutes is amended to read as follows:

Public school foundation program funds made available to the credit of each district during any year, together with the funds required from local tax effort, shall be received, held and expended by the district board, subject to the provisions of law and regulations of the State Board of Education. The following restrictions shall govern the expenditure of funds from the public school foundation program fund:

(1) The teachers' salaries allotment for each district from the public school foundation program fund and from local sources shall be used only for teachers holding properly authorized certificates. The average salary paid any rank of teachers shall be at least equivalent to the public school foundation program fund allotment for that rank as established in subsection (2) of KRS 157.390, and no teacher shall be paid less than ninety percent of the public school foundation program fund allotment for that rank.

(2) The capital outlay allotment for each district from the public school foundation program fund and from local sources shall be kept in a separate fund and may be used by the district only for capital outlay projects approved by the Superintendent of Public Instruction in accordance with requirements of law, and based on a survey made in accordance with rules and regulations prescribed by the State Board of Education. These funds shall be used for the following capital outlay purposes:

(a) For direct payment of construction costs;

(b) For debt service on voted and funding bonds;

(c) For payment on lease-rental agreements under which the board eventually will acquire ownership of a school plant;

(d) For the retirement of any deficit resulting from over expenditure for capital construction, if such deficit resulted from an emergency declared by the State Board of Education under KRS 160.550;

(e) As a reserve fund for the above named purposes, to be carried forward in ensuing budgets; provided, however, if any district has a special levy for capital outlay or debt service that is equal to the capital outlay allotment or a proportionate fraction thereof, and spends the proceeds of that levy for the above named purposes, the Superintendent of Public Instruction, under regulations of the State Board of Education, may authorize the district to use all or a proportionate fraction of its capital outlay allotment for current expenses.

If a survey shows that a school district has no capital outlay needs as shown in (a), (b), (c) and (d) above, upon approval of the Superintendent of Public Instruction, these funds may be used for school plant maintenance, repair, insurance on buildings, and replacement of equipment.

Section 9. Section 157.430 of the Kentucky Revised Statutes is amended to read as follows:

If, when the apportionments are being determined under the provisions of KRS 157.310 to 157.440, funds appropriated by the General Assembly to the public school foundation program fund plus that portion of the funds required from local tax effort are insufficient to provide the amount of money required under subsections (1), (2), and (4) of KRS 157.400, the Superintendent of Public Instruction shall make a percentage reduction in the allotments determined in these subsections for each district to the extent necessary to reduce the total of these allotments to funds available, provided that no district shall receive less than the amount that it received in its per capita apportionment in 1955-56, provided further that it meets the requirements set forth in KRS 157.350 and subsections (2), (4) and (5) of KRS 157.400. The revenue available after the provisions of KRS 157.400 subsections (1), (2) and (4) have been met shall be apportioned to meet, in so far as possible, the provisions of KRS 157.400 subsection (3).

HB 505, AN ACT relating to revenue and taxation, making an appropriation therefor, and also making an appropriation to the Capital Construction Fund.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

ARTICLE I

Section 1. Section 132.030 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every person having on September 1 of any year a deposit in any bank, trust company or combined bank and trust company organized under the laws of this state, or in any national bank of this state, shall pay an annual tax to the state equal to one-hundredth of one percent upon the amount of the deposit, and no deduction therefrom shall be made for any indebtedness. The tax shall be paid to the Department of Revenue by the bank or company with which the deposit is made, as the agent of the depositor, on or before November 1 next following the date of the report provided for in KRS 132.040.

(2) No other tax shall be assessed by the state or any county, city or other taxing district on such deposits or against the depositor on account of such deposits.

Section 2. Section 132.040 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each bank, trust company, combined bank and trust company and national bank doing business in this state shall file with the Department of Revenue on or before September 21 of each year a report setting forth the total amount of its deposits as of the preceding September 1 that would be taxable in the name of the depositor under the laws of this state, and shall, on or before November 1 of each year; pay to the department one-hundredth of one percent of the amount of such deposits, and may charge to and deduct from the deposit of each depositor the amount of the tax so paid on his behalf. A lien is hereby given to the banks and trust companies on the funds belonging to the respective depositors on which the tax has been so paid. Any claim for taxes against the depositor by the bank or trust company paying the taxes shall be asserted within six months after the payment of the taxes to the department, and all claims or liens therefor shall be thereafter barred.

(2) Each bank or trust company that wilfully fails to make the

returns or to pay the taxes on behalf of its depositors shall forfeit to the state an amount equal to one-tenth of one percent of such deposits for each month's delay in filing the return or in paying the tax. The tax and forfeitures may be recovered in an action commenced by the county attorney in the county court of the county in which the bank or trust company is located, but if the Department of Revenue or the court in which the action is heard becomes satisfied that the failure was not wilful, the department or the court may waive any part or all of the penalty.

Section 3. Section 132.190 of the Kentucky Revised Statutes is amended to read as follows:

(1) The property subject to taxation, unless exempted by the Constitution, shall be as follows:

(a) All real and personal property within this state, including intangible personal property of nonresidents and corporations not organized under the laws of this state that has acquired a business situs within this state, except that twenty-five domestic fowls to each family shall be exempt from taxation for any purpose.

(b) All intangible personal property of individuals residing in this state and of corporations organized under the laws of this state unless it has acquired a business situs without this state.

(2) The property enumerated in paragraph (b) of subsection (1) of this section shall be considered and estimated in fixing the valuation of corporate franchises.

(3) Property shall be assessed for taxation at its fair cash value, estimated at the price it would bring at a fair voluntary sale.

(4) The situs of intangible personal property for purposes of taxation shall be at the residence of the real or beneficial owner, and not at the residence of the fiduciary or agent having custody or possession. Any intangible property owned by a resident shall be taxable in this state, unless by the date of assessment he has changed his place of abode to a place without this state with the bona fide intention of continuing actually to abide permanently without this state. The fact that a person again abides within this state within six months from so changing his actual place of abode shall be prima facie evidence that he did not intend permanently to have his actual place of abode without this state. A person so changing his actual place of abode and not intending permanently to continue it without this state and not having listed his property for taxation as a resident of this state shall, for the purpose of having his property assessed for taxation within this state, be deemed to have resided, on the day when his property should have been so assessed, at his last actual or habitual place of abode within this state. The fact that a person does not claim or exercise the right to vote at public elections within this state shall not of itself constitute him a nonresident of this state.

(5) An administrator, executor, trustee, committee, curator, or

agent residing in this state shall not be liable for taxes on intangible personal property held by him if the real or beneficial owner of the property resides outside of this state. This exemption shall not apply in the case of an executor or administrator in the exercise of his office as personal representative while the estate of a deceased person is in process of settlement and before the share of the nonresident legatee or beneficiary is set apart to him, or before the legatee or beneficiary is entitled to be paid his share.

(6) Nothing contained in this section shall affect the liability for franchise taxes payable by corporations organized under the laws of this state; nor the method of taxation of banks and trust companies provided in KRS 136.270; nor the method of taxation of building and loan associations provided in KRS 136.300; and nothing contained in this section shall alter or repeal KRS 136.030.

Section 4. Section 132.215 of the Kentucky Revised Statutes is amended to read as follows:

(1) To the extent that the present right to receive income for the period of a life or lives, or other indeterminate period, may be held to be subject to assessment and taxation, the basis of the assessment value shall be the fair cash value.

(2) To the extent that a present right to receive income from any source for a life or lives or other indeterminate period, including the right to receive installment payments, even though for a determinate period, under the terms of a life insurance policy, payable by reason of the death of the insured, may be held to be subject to assessment for ad valorem taxes, the owner or person enjoying such right on January 1 of each year shall pay a tax to the state of five cents upon each one hundred dollars of the fair cash value of his right on the assessment date. No other tax shall be assessed by the state or by any county, city, school district, or other taxing district on any such right, or against the holder of any such right on account thereof.

Section 5. Section 132.220 of the Kentucky Revised Statutes is amended to read as follows:

(1) Deposits belonging to a resident of Kentucky in any national bank not of this state or in any bank, trust company, or combined bank and trust company not organized under the laws of this state and unmanufactured tobacco insofar as it is subject to taxation by KRS 132.190 and 132.200 shall be listed, assessed and valued as of September 1 of each year. Motor vehicles shall not be assessed as of January 1, 1961, but shall be listed, assessed, and valued as of March 1, 1961, and as of March 1 of each year thereafter. Money in hand shall be listed, assessed, and valued as of September 1 of each year. Shares of stock, notes, bonds, accounts, and other credits, whether secured by mortgage, pledge, or otherwise, or unsecured, and all interest in such property, unless otherwise provided by law shall be listed, assessed, and valued as of the beginning of business on January 1 of each year.

All other taxable property and all interest in other taxable property, unless otherwise specifically provided by law, shall be listed, assessed, and valued as of January 1 of each year. It shall be the duty of all persons owning or having any interest in any property taxable in this state to list or have listed such property with the county tax commissioner of the county where it is located, between January 1 and March 1 in each year, except as otherwise provided by law. All persons in whose name property is properly assessed shall remain bound for the tax, notwithstanding they may have sold or parted with it.

(2) Any taxpayer who has a reasonable excuse for not listing his property before the county tax commissioner or his deputy may appear before any person authorized to administer an oath and make the necessary affidavit required by the schedule as to the value of his property and may then return the schedule to the county tax commissioner. This shall be a compliance with the law in his partiular case.

(3) Real property or any interest therein shall be listed in the taxing district where it is located, by the owner of the first freehold estate therein, and it shall be assessed without reference to conflicting title. If the owner fails to list the property, the county tax commissioner shall nevertheless assess it. The county tax commissioner may swear witnesses in order to ascertain the person in whose name to make the list.

(4) Real property shall be assessed in the name of the owner, if ascertainable by the tax commissioner, otherwise in the name of the occupant, if ascertainable, and otherwise to "Unknown owner." The undivided real estate of any deceased person may be assessed to the heirs or devisees of such person without designating them by name.

(5) Beginning in the year 1951, all real property exempt from taxation by Section 170 of the Constitution shall be listed with the county tax commissioner in the same manner and at the same time as taxable real property. The county tax commissioner shall maintain an inventory record of such tax exempt property, but such property shall not be placed on the tax rolls.

Section 6. Section 132.260 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every warehouse company and every person engaged in the business of furnishing storage for personal property shall by February 1, 1961, and February 1 of each year thereafter, make a report to the county tax commissioner, giving, as far as possible, accurate and complete information as to all property held by them on January 1, 1961, and January 1 of each year thereafter, and the names and residences of the owners of all property so held on that date.

(2) Every person providing rental space for the parking of housetrailers and mobile homes shall by February 1, 1961, and by February 1 of each year thereafter, report the name of the owner and type and

size of all housetrailers and mobile homes not registered in this state under KRS 186.655 on his premises on January 1, 1961, and January 1 of each year thereafter to the county tax commissioner of the county in which the property is located.

(3) The reports required by subsections (1) and (2) shall be made in accordance with the forms prescribed by the Department of Revenue and shall be signed and verified by the chief officer or person in charge of the business.

(4) The county tax commissioner may make a personal inspection and investigation of property held in storage and premises on which housetrailers or mobile homes are located, for the purpose of identifying and assessing such property. No person in charge of such premises shall refuse to permit the inspection and investigation.

Section 7. Section 132.285 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any city may by ordinance elect to use the annual county assessment for property situated within such city as a basis of ad valorem tax levies ordered or approved by the legislative body of the city. Any city making such election shall notify the Department of Revenue and county tax commissioner prior to the next succeeding assessment to be used for city levies. In such event the assessment as finally determined for county tax purposes shall serve as a basis of all city levies for the fiscal year commencing after the county assessment date. Each city which elects to use the county assessment shall annually appropriate and pay each fiscal year to the office of the county tax commissioner for deputy and other authorized personnel allowance, supplies, maps and equipment, and other authorized expenses of the office, one and one-half cent for each one hundred dollars of the assessment applicable to the city tax levies, or fifty thousand dollars, whichever is smaller. This allowance shall be based on the assessment as of the previous January 1. Each county tax commissioner shall at the end of each month file a claim with the city for the salaries of his deputies, other personnel, and other expenses of his office incurred during the month which are reimbursable from city funds; and the city shall order payment in an amount not to exceed the appropriation authorized by this section. Notwithstanding any statutory provisions to the contrary, the assessment dates for such city shall conform to the corresponding dates for the county, and such city may by ordinance establish additional financial and tax procedures that will enable it effectively to adopt the county assessment. Any such city may, by ordinance, abolish any office connected with city assessment and equalization; except that in the case of a city assessor who is elected by the qualified voters of the city, the office may not be abolished before the end of the term of such assessor. Any city which elects to use the county assessment shall have access to the assessment records as soon as completed and may obtain a copy of that portion of the

records which represents the assessment of property within such city. Once any city elects to use the county assessment, such action cannot be revoked without notice to the Department of Revenue and the county tax commissioner six months prior to the next date as of which property is assessed for state and county taxes.

(2) In the event any omitted property is assessed by the county tax commissioner as provided by KRS 132.310 such assessment shall be considered as part of the assessment adopted by the city according to subsection (1).

(3) A city may adopt due and delinquency dates for real property, personal property, and motor vehicles or any combination thereof identical to the respective dates for state and county taxes.

Section 8. Section 132.310 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who has failed to list for taxation any property omitted from assessment consisting of real property or tangible personal property, except such as is subject to assessment by the Kentucky Tax Commission, may at any time list such property with the county tax commissioner. The tax commissioner shall proceed to assess the property and shall within ten days from the date the property was listed notify the taxpayer of the amount of the assessment. The notice shall be given as provided in KRS 132.450 (2).

(2) The county tax commissioner may at any time list and assess any real or tangible property which may have been omitted from the regular assessment. Immediately upon listing and assessing omitted real or tangible property, the county tax commissioner shall notify the taxpayer of the amount of the assessment. The notice shall be given as provided in KRS 132.450 (2).

(3) The taxpayer may appeal the assessment to the Kentucky Tax Commission within fifteen days from the date of notice, in the same manner as an appeal from the final action of the county board of supervisors and may appeal from the action of the Kentucky Tax Commission as provided in KRS 133.120. If no appeal is taken within fifteen days from the date of notice, the assessment as made by the county tax commissioner shall become final and shall be certified by the tax commissioner to the county clerk.

(4) Any property voluntarily listed as omitted property for taxation under this section shall be subject to penalties provided in KRS 132.290 (3). Omitted property listed for taxation under this section by the county tax commissioner shall be subject to the penalties provided in KRS 132.290 (4).

Section 9. Section 132.370 of the Kentucky Revised Statutes is amended to read as follows:

(1) There shall be a county tax commissioner in each county in lieu of a county assessor.

(2) County tax commissioners shall be elected in the year 1961

and each four years thereafter and shall enter upon the discharge of the duties of their office on the first Monday in December after their election and continue in office for a period of four years, and until the election and qualification of their successors. County tax commissioners shall possess the qualifications required by Section 100 of the Constitution and by KRS 132.380 and shall be eligible for re-election.

(3) A county tax commissioner may be removed from office by the circuit court of his county, upon petition of the department or any taxpayer, for wilful disobedience of any just or legal order of the department, or for misfeasance or malfeasance in office or wilful neglect in the discharge of his official duties, but he or the petitioner may appeal to the Court of Appeals.

Section 10. Section 132.375 of the Kentucky Revised Statutes is amended to read as follows:

Whenever a vacany occurs in the county tax commissioner's office, the Commissioner of Revenue may designate a person to carry on the duties of the office until such time as some person can be duly qualified and appointed. The person so designated shall be compensated on a prorata basis for the calendar days served from funds made available to the office from the state under KRS 132.590, except, where an agent of the Department of Revenue is so designated, said agent shall be compensated from Department of Revenue funds in the same manner and at the same rate as compensated prior to his receiving such designation, plus necessary expenses, including travel. Such individual shall have all the powers and be subjet to all the regulations applying to county tax commissioners. In no event shall the person designated to act as county tax commissioner by the Commissioner of Revenue serve in excess of ninety days unless otherwise qualified and appointed.

Section 11. Section 132.380 of the Kentucky Revised Statutes is amended to read as follows:

(1) Before any person's name shall be placed upon any ballot as a candidate for the office of county tax commissioner in any primary or general election, except as a candidate to succeed himself in office, or before he may be appointed county tax commissioner, except as an interim appointee as provided by KRS 132.375, he shall hold a certificate issued by the Department of Revenue, showing that he has been examined by it and that he is qualified for the office. All certificates issued shall expire one year from the date of issuance. The examinations shall be both written and oral and formulated so as to test fairly the ability and fitness of the applicant to serve as county tax commissioner. The Department of Revenue shall hold such examinations in at least one place in each Congressional District during the month of February of each year in which county tax commissioners are to be elected. The Department of Revenue shall advise each county attorney of the time and place of the examination, and the county attorney

shall post a notice thereof in a conspicuous place in the courthouse two weeks before such examination is given. Any person desiring to take such examination shall appear at the time and place designated.

(2) If, after the giving of the examination, as provided in subsection (1), there is only one person qualified to be a candidate in the county, the Department of Revenue shall hold a second examination prior to the filing date in each Congressional District where necessary. Applicants from only those counties having not more than one person qualified shall be eligible to take the examination. Notice of the second examination shall be posted in the manner provided in subsection (1).

(3) Whenever there is a vacancy in the office of county tax commissioner to be filled by appointment or by election, and there is not more than one person holding a valid certificate and eligible for appointment or election, the Department of Revenue may hold a special examination for applicants seeking a certificate for the office. If, after the giving of a special examination, only one person is qualified, the county judge may request a second examination. Special examinations shall be held in the same manner as regular examinations.

(4) Examinations shall be given and graded in accordance with rules of the department published to the applicant at the time of the examination. Within thirty days after the examination, a certificate of fitness and qualification to fill the office of county tax commissioner shall be issued by the Department of Revenue to each person passing the examination.

(5) Examination records shall be preserved by the department for twelve months after the examination, and the record of any person who took the examination may be seen by him at the office of the Department of Revenue in Frankfort, Kentucky.

Section 12. Section 132.450 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each county tax commissioner shall assess at its fair cash value all property which it is his duty to assess. In the case of securities which are regularly bought and sold through stock exchanges, the price at which such property closed on the last regular business day preceding the assessment day shall be prima facie evidence of the fair cash value of such property. The property of one person shall not be assessed wilfully or intentionally at a lower or higher relative value than the same class of property of another, and any grossly discriminatory valuation shall be construed as an intentional discrimination. The tax commissioner shall make every effort, through visits with the taxpayer, personal inspection of the property, from records, from his own knowledge, from information in property schedules, and from such other evidence as he may be able to obtain, to locate, identify, and assess property.

(2) If the tax commissioner assesses any property, except stocks and bonds at the market value listed in recognized publications, at a

greater value than that listed by the taxpayer or assesses unlisted property, the tax commissioner shall serve notice on the taxpayer of such action. The notice shall be given by first class mail or as provided in the Kentucky Rules of Civil Procedure.

(3) Any taxpayer may designate on the property schedule any property which he does not consider to be subject to taxation, and it shall be the duty of the tax commissioner to obtain and follow advice from the Department of Revenue relative to the taxability of such property.

Section 13. Section 132.485 of the Kentucky Revised Statutes is amended to read as follows:

(1) The county clerk shall furnish weekly to the county tax commissioner a copy of the registration certificate for each motor vehicle and housetrailer registered. The address including the county in which the owner of the motor vehicle or housetrailer resides shall be shown on the copy of the registration certificate furnished. The county tax commissioner shall forward to the appropriate county tax commissioner all registration certificates showing a county of residence other than his own. All copies of transfers of registered motor vehicles and housetrailers dated on or before May 1 in the current year shall be forwarded by the county clerk to the county tax commissioner. The county tax commissioner is authorized to list the motor vehicle or housetrailer listed on the registration certificate on the property tax rolls without notifying the taxpayer.

(2) The registration of a motor vehicle or housetrailer with the county clerk in order to operate it or permit it to be operated upon the highways shall be deemed consent by the registrant thereof for the motor vehicle or housetrailer to be assessed by the county tax commissioner at a valuation determined from a standard manual prescribed by the Department of Revenue for valuing motor vehicles or housetrailers for assessment unless the registrant appears in person before the tax commissioner to assess the vehicle.

(3) This section does not apply to motor vehicles and housetrailers owned and operated by agencies of the state and federal governments.

(4) The registration of a motor vehicle on or before the date that the registration of such vehicle is required is prima facie evidence of ownership on March 1.

Section 14. Section 132.590 of the Kentucky Revised Statutes is amended to read as follows:

(1) The compensation of the county tax commissioner shall be computed on the basis of ten cents on each one hundred dollars of the first three million dollars and two cents on each one hundred dollars of the excess over three million dollars of the annual assessment. However, each county tax commissioner shall receive a minimum monthly payment of two hundred fifty dollars as part or all of his

compensation. Should a county tax commissioner for any reason vacate the office in any year during his term of office, any fees accruing to the office as compensation for the county tax commissioner shall be prorated and the commissioner shall be paid only for the calendar days actually served during the year.

(2) In counties in which the assessed value of property exceeds eight million dollars, the county tax commissioner's office shall be allowed by the state as compensation for deputies, other authorized personnel, and for other authorized expenditures, two cents on each one hundred dollars of the property assessed in excess of eight million dollars; but the total sum allowed any county tax commissioner's office as compensation for deputies, other authorized personnel, and for other authorized expenditures shall not exceed twenty thousand dollars in any county except in a county having a city of the first or second class, which shall be governed by KRS 132.630. Each county tax commissioner may appoint any persons approved by the Department of Revenue to assist him in the discharge of his duties. Each deputy must be more than twenty-one years of age and may be removed at the pleasure of the county tax commissioner. The salaries of deputies and other authorized personnel shall be fixed by the county tax commissioner and shall be subject to the approval of the Department of Revenue. No deputy county tax commissioner employed, or promoted to a higher position, after June 30, 1960, shall be approved for compensation from any funds derived from any taxing jurisdiction or jurisdictions in excess of three thousand dollars in any one calendar year, without having qualified by examination, said examination to be prepared and administered by the Department of Revenue in accordance with standards of the Department of Personnel, for the position to which he is being appointed or promoted. No state funds available to any county tax commissioner's office as compensation for deputies and other authorized personnel or for other authorized expenditures shall be paid without authorization of the Department of Revenue, prior to the employment by the tax commissioner of deputies or other authorized personnel or the incurring of other authorized expenditures.

(3) Each county fiscal court shall annually appropriate and pay each fiscal year to the office of the county tax commissioner for deputy and other personnel allowance, supplies, maps and equipment, travel allowance for the tax commissioner and his deputies and other authorized personnel, and other authorized expenses of the office, two hundred dollars for the first million dollars of assessment and one-half of one cent for each hundred dollars of assessment in excess of one million dollars; but the total sum to be paid by the fiscal court to any county tax commissioner's office shall not exceed twenty thousand dollars except in a county having a city of the first class, which shall be governed by KRS 132.630. This allowance shall be based on the assessment as of the previous January 1.

(4) Each county tax commissioner shall at the end of each month

file a claim with the fiscal court for the salaries of his deputies, other personnel, and other expenses of his office incurred during the month which are reimbursable from county funds. The court shall order payment made provided the total of all claims filed with the court does not exceed the total sum available under this section. During county election years the county tax commissioner shall not be allowed to expend in excess of forty percent of the allowances available to his office from county funds during the first five months of the fiscal year in which the general election is held.

(5) The county tax commissioner shall not receive for his personal services, incident to any assessment, more than seven thousand two hundred dollars in any calendar year. However, the maximum compensation for any county tax commissioner shall not exceed the highest compensation, including salary and fees, approved by the fiscal court for any county official.

Section 15. Section 132.670 of the Kentucky Revised Statutes is amended to read as follows:

Whenever a city or county by order of its legislative body petitions the department for a reappraisal of the properties therein and the department, after investigation, determines that a reappraisal is necessary, the department shall, according to the comparative need therefor, provide personnel and other assistance to aid the city assessor or county tax commissioner in accomplishing this result. The Department of Revenue shall prescribe methods and specifications for the reappraisal of property. Personnel authorized to assist in making a city or county reappraisal under this section may be given the same authority as a deputy tax commissioner or deputy city assessor. Cities, counties, and other taxing districts may make appropriations from their general funds to share expenses incurred for such purposes by the department or for the purpose of employing other assistance in conducting such reappraisal projects. Whenever a county by order of its legislative body petitions the department for property indentification mapping of the properties therein the department may provide personnel and other assistance to aid the county tax commissioner.in accomplishing this result. The Department of Revenue shall prescribe methods and specifications for the mapping of property. Personnel authorized to assist in making property identifcation maps under this section may be given the same authority as a deputy tax commissioner. Cities, counties, and other taxing districts may make appropriations from their general funds to share expenses incurred for such purposes by the department or for the purpose of employing other assistance in conducting such mapping projects.

Section 16. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) (a) All taxable real property or interest therein subject to assessment by the county tax commissioner shall be revalued during

the second year of each term of office by the county tax commissioner in accordance with standards prescribed by the Department of Revenue.

(b) The right of any individual to appeal the assessment on his property in any year as provided in KRS 133.120 shall in no way be affected by this statute.

(c) Should the county tax commissioner fail to revalue property as required by this statute the Department of Revenue shall have the authority to order an emergency revaluation in the same manner as provided for emergency assessments by KRS 132.660. Any county tax commissioner wilfully violating the provisions of this section shall be subject to removal from office as provided by KRS 132.370 (3).

Section 17. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The Department of Revenue is hereby directed to revise the **Kentucky Real Property Appraisal Manual** dated January, 1952, on or before June 30, 1962, according to the following standards:

(a) All valuation data, classifications, and tables shall be to the standard of the current manual.

(b) Valuation data shall be based on a current date set by the Department of Revenue.

(c) The manual shall be so constructed that supplements may be issued from time to time to make the valuation data current.

(d) Additional building classifications shall be added based upon need.

(2) The Commissioner of Revenue is hereby authorized to contract for the revision of the **Kentucky Real Property Appraisal Manual** if he deems is necessary.

Section 18. A new section of the Kentucky Revised Statutes is created to read as follows:

The Department of Motor Transportation shall not issue a certificate or permit with respect to any motor vehicles other than those required to be registered by the county clerk for any year until the owner has presented proof of the following:

(a) Payment of ad valorem tax based on assessment of the motor vehicle as of March 1 of the year preceding the year for which the certificate or permit is to be issued, or

(b) The motor vehicle was not subject to assessment for ad valorem tax on March 1 of the year preceding the year for which the certificate or permit is to be issued.

Section 19. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The county clerk shall not issue a registration receipt for any motor vehicle for any year under the provisions of KRS 186.020 to 186.260 until the owner has presented to the clerk proof of the following:

(a) Payment of all ad valorem taxes based on the assessment of the motor vehicle as of March 1 of the year preceding the year for which the vehicle is to be licensed, or

(b) The motor vehicle was not subject to assessment for ad valorem tax on March 1 of the year preceding the year for which the vehicle is to be licensed.

(2) The county clerk shall not issue a registration receipt or a transfer of registration for any motor vehicle upon which the state or any other taxing district has filed a notice of lien under the provisions of Section 28 of this Act until the tax lien shall have been properly released.

Section 20. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Any city of the first, second, or third class that has adopted the county assessment pursuant to KRS 132.285 for property situated within such city or any independent school district may contract with the county sheriff for the collection of ad valorem taxes on motor vehicles. The sheriff shall receive as compensation the actual cost of collecting and reporting funds due any city or independent school district, not to exceed four percent of said taxes. The compensation of the sheriff for collecting all taxes shall not exceed that which is authorized by KRS 134.290. In collecting city and school taxes pursuant to contract, the sheriff shall have the same powers as applicable to state and county taxes.

(2) Any city or independent school district which has contracted with the county sheriff as authorized in subsection (1) may direct the sheriff to prepare a notice of lien and file the same in the same manner as provided for other taxing districts in Section 28 of this Act.

(3) Any city or independent school district for which the county sheriff does not collect any ad valorem taxes may prepare a notice of lien for tax on a motor vehicle and request the county clerk to file and record the notice for the same fee and in the same manner as provided by Section 28 of this Act.

Section 21. Section 133.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) The county board of supervisors shall be composed of reputable property owners residing in the county, to be appointed by the county judge annually in April. The board shall consist of three members appointed from the county at large, unless the county judge shall by order direct that the board be composed of one member from each magisterial district in the county; provided, however, that when any city of the first, second, or third class elects prior to April 1 of any year to adopt the county assessment as provided in KRS 132.285, the board shall consist of only three members and the county judge shall appoint as one of the three members of this board a person who shall have been nominated in writing by the mayor of such city; however,

should the number of appeals to the board of supervisors filed with the county clerk exceed one hundred, the county judge, with approval of the Department of Revenue, may appoint additional members to serve as panels of the board, provided further, however, that the number of additional members shall not exceed three for each one hundred additional appeals. The county judge shall designate one of the members to serve as chairman of the board. Where additional members are appointed, as provided herein, the chairman of the board shall designate one member of each additional panel as chairman of the panel. A majority of the board or of any panel may determine the action of the board or panel respectively and make decisions therefor. Each panel of the board shall have the same powers and duties given the board by KRS 133.120, except that all notices of increase in assessment by the board or any panel thereof shall be signed by the chairman of the board. The county judge shall appoint a person having the qualifications required of the original appointee to fill a vacancy resulting from any cause. The county clerk shall make sufficient copies of the order of appointment and deliver them to the sheriff who shall deliver a copy to each supervisor within a reasonable time after his appointment.

(2) The supervisors, before entering upon the discharge of their duties, shall take the following oath: "You swear that you will to the best of your ability discharge the duties required of you as a member of the county board of supervisors."

Section 22. Section 133.125 of the Kentucky Revised Statutes is amended to read as follows:

(1) The county clerk, or an authorized deputy, shall act as clerk of the board of supervisors; and where additional board panels are appointed, as provided by law, one authorized deputy shall act as clerk for each panel. An accurate record of the proceedings and orders of the board of supervisors and of each of its authorized panels shall be kept and shall show the name of the owner of the property, the description, the type of property, the amount of the assessment the county tax commissioner placed on the property, and the amount of change made in the assessment by the board of supervisors. A copy certified by the chairman of the board and attested by the county clerk shall be filed by the clerk with the tax commissioner and with the Department of Revenue within five days after the adjournment of the board.

(2) After receipt of the clerk's certification of the action of the board of supervisors, the county tax commissioners shall complete his rolls by adding to them all listings and assessments which he may have made after the rolls were open for inspection as provided in KRS 133.045 and making all adjustments ordered by the board of supervisors, and he shall turn the rolls over to the clerk within ten days after the board adjourns. Whereupon the clerk shall make a recapitulation of the assessment by taxing districts and types of property and shall

submit such recapitulation to the Department of Revenue not later than June 1, unless the time is extended by the department.

(3) The county clerk shall certify to the county court the number of days during which the board was in session, and the court shall enter this fact of record along with the amount due the supervisors for their services. On a presentation of a copy of the order, the Department of Finance shall draw a warrant on the State Treasurer in favor of the supervisors and clerk for the amount due for their services.

(4) The county clerk and any authorized deputies serving as clerk of the board or a panel thereof shall be allowed the same compensation per day for their services as is allowed to members of the board of supervisors of their county, and they shall be paid in the same manner as members of the board of supervisors are paid. The county clerk and his authorized deputies shall be allowed compensation for completing and filing the record of the board and for preparing the recapitulation in the same manner as allowed for their services while acting as clerk of the board or clerk of a panel of the board.

Section 23. Section 133.220 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Department of Revenue annually shall furnish to each county clerk tax bill forms designed for adequate accounting control sufficient to cover the taxable property on the rolls. These tax bill forms shall be furnished not later than ten days after the Kentucky Tax Commission has rendered its certification. The county annually shall furnish the county clerk with sufficient tax bill forms for his use in the preparation of tax bills for all taxpayers who are liable for a poll tax and who own no property asssesed for taxation.

(2) After receiving the forms the county clerk shall make out for the use of the sheriff or collector a correct tax bill for each taxpayer in the county whose property has been assessed and whose valuation is included in the certification provided in KRS 133.180. If the bills are bound, the cost of binding shall be paid out of the county levy. Each tax bill, other than a bill for tax on a motor vehicle, shall show the rate of tax upon each one hundred dollars worth of property for state, county, and school purposes; the name of the taxpayer and his mailing address; the number of acres of farm land and its value; the number of lots and their value; the amount and value of notes and money; the value of mixed personal property; the county poll; the school poll; the school tax; and the total amount of taxes due the state, county, school fund, and other levies. Each tax bill for a motor vehicle shall show the rate of tax upon each one hundred dollars worth of property for state, county, and school purposes; the name of the taxpayer and his mailing address; the registration number for the assessment year; and the total amount of taxes due the state, county, school fund, and other levies. The county clerk shall attest each bill by signing it officially. Provision shall be made for the sheriff to have a

stub, duplicate, or other proper evidence of receipt of payment of each tax bill.

(3) Tax bills prepared in accordance with the certification of the Kentucky Tax Commission shall be delivered to the sheriff or collector by the county clerk before September 15 of each year. The clerk shall take a receipt showing the number of tax bills and the total amount of tax due each taxing district as shown upon the tax bills. The receipt shall be signed and acknowledged by the sheriff or collector before the county clerk, filed in the county court, and recorded in the order book of the county court in the manner required by law for recording the official bond of the sheriff.

(4) Upon delivery to him of the tax bills, the sheriff or collector shall mail a notice to each taxpayer, showing the total amount of taxes due the state, county, school fund, and other levies, the date on which the taxes are due, and any discount to which the taxpayer may be entitled upon payment of the taxes prior to a designated date.

Section 24. Section 134.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) All state, county, and district taxes, except as otherwise provided by law, shall be due and payable on September 15 following the assessment; except that all taxes in any year on unmanufactured tobacco, money in hand, or money on deposit outside this state, shall be due and payable on the second succeeding September 15 following the assessment, unless otherwise provided by law.

(2) Any taxpayer who pays his state, county, or district taxes by November 1 after they become due in any year shall be entitled to two percent discount thereon, and the sheriff shall allow the discount and give a receipt in full to the taxpayer. The sheriff may, at any time after the taxes mentioned in this section become due, receive less than the face amount of the tax bill as a credit on the amount due, including the amount of any penalties then due; and every such payment shall be credited upon the tax bill or upon sheets annexed thereto for that purpose, and acknowledged in writing or by a rubber stamp, indicating the amount so paid to the sheriff.

(3) All state, county, and district taxes, except as otherwise provided by law, shall become delinquent on January 1 following their due date, except that all state, county, and district taxes on motor vehicles shall become delinquent on December 1 following their due date in the year 1961 and on December 1 following their due date in each year thereafter.

(4) Any taxes which are not paid by the date when they become delinquent shall be subject to a penalty of six percent on the taxes due and unpaid; except that taxes which became delinquent on January 1 shall be subject to a penalty of only two percent on the taxes due and unpaid, if paid on or before the last day of January. The sheriff shall collect the penalty and account for it as he is required to collect and account for taxes.

Section 25. Section 134.060 of the Kentucky Revised Statutes is amended to read as follows:

(1) Except as provided in subsection (5) of KRS 132.190, the holder of the legal title, the holder of the equitable title, and the claimant or bailee in possession of the property on the assessment date provided by law shall be liable for taxes thereon; but, as between themselves, the holder of the equitable title shall list the property and pay the taxes thereon, whether the property is in possession or not at the time of the payment.

(2) If property is sold less than two months after the assessment date, then, as between the purchaser and seller and in the absence of any contract to the contrary, the purchaser of the property shall pay the taxes thereon. If the property is sold more than two months after the assessment date, the seller shall pay the taxes.

Section 26. Section 134.300 of the Kentucky Revised Statutes is amended to read as follows:

(1) The sheriff shall, by the tenth day of each month, or more often if required by the county court to prevent the sheriff from having funds in his possession in excess of the amount of his bond, report under oath to the county court the amount of state and county taxes he has collected during the month preceding, together with all fines, forfeitures, or money on any other account that has been received or collected by him for the preceding month. He shall show in this report the amount collected for and belonging to each particular fund for which the revenue or money may be intended, and the disposition of such revenue or money collected by him. The reports shall be filed and recorded in separate books furnished by the county court for that purpose, and they shall be open for inspection in the office of the county clerk.

(2) At the time of making the report to the county court, the sheriff shall pay to the county treasurer, or other officer designated by the fiscal court, all funds belonging to the county that were collected by him during the period covered in the report. He shall take a receipt from the county treasurer for the amount so paid, in duplicate, one duplicate to be retained by the sheriff and the other to be delivered by him to the county judge, who shall file it in his office.

(3) Any sheriff failing to pay over taxes collected by him and due the county, as provided by law, shall be required by the fiscal court to pay a penalty of one percent for each thirty-day period or fraction thereof plus interest at the legal rate per annum on such taxes. The fiscal court in its settlement with the sheriff shall charge him with such penalties and interest.

(4) The county judge may grant an extension of time, not to exceed fifteen days, for filing the report required by KRS 134.300 (1) and the reports for all other levies made by the fiscal court whenever, in his judgment, good cause therefor exists. The extension shall be

in writing and shall be recorded in the office of the county court clerk. The extension when granted shall suspend the penalty and interest for the duration of the extension. The penalty and interest shall apply at the expiration of the extension.

Section 27. Section 134.320 of the Kentucky Revised Statutes is amended to read as follows:

(1) The sheriff shall, by the tenth day of each month, or more often as may be required by the Department of Revenue to prevent the sheriff from having funds in his possession in excess of the amount of his bond, report under oath to the department the amount of all state taxes he has collected during the preceding month, or for such period as the department may require.

(2) The sheriff shall, at the time of making this report, pay to the department, for deposit with the State Treasurer, all taxes he has collected for the state for the preceding month or period.

(3) The department may report to the grand jury of Franklin County at each term of circuit court any sheriff failing to report as required. Any sheriff failing to pay over any taxes collected by him and due the state, as provided by law, shall be required by the department to pay a penalty of one percent for each thirty-day period or fraction thereof plus interest at the legal rate per annum on such taxes. The department in its settlement with the sheriff shall charge him with such penalties and interest.

(4) The Department of Revenue may grant an extension of time, not to exceed fifteen days, for filing the report required by KRS 134.320 (1) whenever, in its judgment, good cause therefor exists. The extension shall be in writing, and the department shall keep a record of such extensions. The extension when granted shall suspend the penalty and interest provided by KRS 134.320 (3) for the duration of the extension. The penalty and interest shall apply at the expiration of the extension.

Section 28. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Whenever any motor vehicle shall become subject to a lien for property taxes, notice of the lien may be filed in the manner provided by this section. On or after December 1 but not later than December 31 following the assessment on March 1 of any year, the Department of Revenue, county, or other taxing district may direct the sheriff of the county where the motor vehicle was assessed to prepare notice of lien on a form prescribed by the Department of Revenue for only such delinquent ad valorem taxes as have been levied under the preceding March 1 assessment of motor vehicles. The sheriff shall prepare the notice as directed and file it in the office of the county clerk. For preparing and filing the notice of lien, the sheriff shall charge a fee of twenty-five cents. The county clerk shall record the lien in the same manner as notices of lis pendens

are recorded and shall attach the notice of lien to his copy of the motor vehicle registration receipt. The county clerk shall charge a fee of twenty-five cents for recording the lien.

(2) The fees of the sheriff and the clerk shall become a part of the lien as an added cost to the delinquent taxpayer and shall be added by the sheriff to the delinquent bill. From the total amount of property taxes collected on motor vehicles the sheriff shall withhold an amount necessary to defray the cost of the fees to him and the county clerk for preparing and recording the notice of liens on delinquent property tax bills on motor vehicles provided for in subsection (1). The sheriff shall receive credit on his final settlement with state, county, and other taxing districts for the amount of fees added for him and the clerk to delinquent tax bills from each taxing district for whom a lien was filed to be shared equally.

(3) For and on behalf of the state and other taxing districts, the county clerk may release any lien filed pursuant to the provisions of this section upon being supplied with proof of payment of the delinquent tax bill. The clerk shall charge a fee of one dollar for releasing the lien, which fee shall be paid by the delinquent taxpayer; and in no event shall any taxing jurisdiction be required to pay the release fee.

(4) Any release of the lien for taxes upon a motor vehicle made pursuant to this section shall in no manner release, limit, or reduce the lien for taxes on any other property owned by the same taxpayer.

Section 29. Section 131.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Department of Revenue shall be headed by the Commissioner of Revenue, who shall be the executive officer and shall have sole charge of the administration of the department, and shall perform all functions of the department.

(2) The Commissioner of Revenue, with two associate members, shall constitute the Kentucky Tax Commission. The Commissioner of Revenue shall be chairman of the commission.

(3) The Department of Revenue shall be organized for administrative convenience into divisions in accordance with Chapter 12 of the Kentucky Revised Statutes.

Section 30. Section 131.040 of the Kentucky Revised Statutes is amended to read as follows:

The Governor shall appoint two associate members of the Kentucky Tax Commission. The term of office of each associate member shall be four years. One associate member shall be appointed each four years beginning with 1937 and the other shall be appointed each four years beginning with 1938. The term of each shall begin on July 1. The commission shall be allotted such funds out of Department of Revenue appropriations as is necessary for its operations.

Section 31. Section 131.090 of the Kentucky Revised Statutes is amended to read as follows:

The functions of the Kentucky Tax Commission shall be:

(1) To hear and determine appeals from findings by the Department of Revenue and review appeals from rulings of county boards of supervisors on local assessments.

(2) To promulgate rules and regulations governing procedure before the commission.

(3) To equalize assessments of property assessed by county tax commissioners among the counties and certify such assessments to the county judge with a copy to the county clerk.

(4) To make certifications to the Superintendent of Public Instruction as provided in KRS 157.380.

Section 32. The Reviser of Statutes is authorized and directed to substitute Department of Revenue for Kentucky Tax Commission as the assessing agency in conformity with this Act.

Section 33. Sections 131.050, 131.060, 131.070, and 131.080 of the Kentucky Revised Statutes are hereby repealed.

Section 34. Section 136.030 of the Kentucky Revised Statutes is amended to read as follows:

(1) The individual stockholders of a corporation shall not be required to list their shares for ad valorem taxation so long as the corporation pays taxes to the State of Kentucky on at least seventy-five percent of its total property, wherever located, provided, however, that bonds and obligations of the United States of America and its possessions and bonds and obligations of the State of Kentucky, its instrumentalities and its political subdivisions and their instrumentalities shall not be considered in the computation of the total property of the corporation, wherever located, nor in the computation of the amount of property upon which the corporation pays ad valorem taxes to the State of Kentucky. In order to obtain this exemption the stockholder must furnish satisfactory proof to the Department of Revenue that at least seventy-five percent of the total property of the corporation as hereinabove specified is taxed in the State of Kentucky.

(2) Every corporation organized under the laws of this state, or doing business in this state, whose stock is liable to assessment and taxation under subsection (1) of this section, except banks, trust companies, or combined banks and trust companies doing business in this state and domestic life insurance companies, shall by February 15 of each year make a true and correct report to the Department of Revenue, verified by its president, secretary, treasurer or other chief officer, giving the names and addresses of residents of this state who hold its shares of stock and outstanding bonds as of January 1 previous thereto, and also the transfer of any of its stocks or bonds

by residents of this state to nonresidents within thirty days previous to January 1.

Section 35. Section 136.181 of the Kentucky Revised Statutes is amended to read as follows:

Boats, tugs, barges, and other watercraft of any nonresident person, corporation, partnership, or any other business association whose route or system is partly within this state and partly within another state or states, shall be valued by the Department of revenue for purposes of taxation and shall be assessed as of January 1 each year by the Department of Revenue; and the department shall fairly divide, allocate, and certify such assessments to each county, city, town, or other taxing district within this state, within or through which such route or system is operated, the division, allocation, and certification to be determined in the following manner:

(1) The proportion of the value of the property which the length of the lines or route operated in this state bears to the total length of lines or route operated in this state and elsewhere, shall be considered in fixing the value of the property for taxation in this state. Any other reasonable evidence of value shall be considered in fixing the value, but such evidence must be prescribed by departmental regulations.

(2) After ascertaining the portion of the system valuation of such property attributable to this state, the Department of Revenue shall allocate the value of the property among the counties, cities, towns, and other taxing districts. The proportion which the length of line or route operated in that jurisdiction or taxing district bears to the total length of lines or route operated in this state shall be considered in this allocation and such other reasonable evidence of value as the Department of Revenue may by regulations prescribe.

Section 36. Section 136.290 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every domestic building and loan association making loans to members only shall, during January of each year, file with the Department of Revenue a report containing such information and in such form as the department may require.

(2) The department shall fix the total value, as of January 1 of each year, of the capital stock composed of shares of each building and loan association, excepting the shares of borrowing members where the amount borrowed equals or exceeds the amount paid in by those members. The department shall immediately notify each association of the value so fixed.

Section 37. Section 136.300 of the Kentucky Revised Statutes is amended to read as follows:

(1) By June 20 succeeding the filing of the report provided for in KRS 136.290, each domestic building and loan association shall pay directly into the State Treasury a tax of twenty-five cents for

each one hundred dollars paid in on its capital stock as fixed in KRS 136.290. The individual shareholders shall not be required to list their shares for taxation for any purpose. The association shall not be required to pay local taxes upon its capital stock, surplus, undivided profits, notes, mortgages or other credits; and the tax provided by this section shall be in lieu of all taxes for state purposes on property of the association. Failure to make reports and pay taxes as provided in this section and in KRS 136.290 shall subject the association to the same penalties imposed for such failure on the part of the other corporations.

(2) If a domestic building and loan association so elects, it may deduct the taxes imposed in subsection (1) of this section from the dividends paid or credited to a non-borrowing shareholder.

Section 38. Section 132.645 of the Kentucky Revised Statutes is amended to read as follows:

(1) The county tax commissioner of each county shall be paid from the State Treasury one-twelfth of his compensation each month to be computed by the Department of Revenue as provided in KRS 132.590 except that the county tax commissioner's annual compensation as provided in KRS 132.590 less amounts previously paid shall be used to compute his December compensation each year.

(2) Deputies, other authorized personnel, and other authorized expenditures of the county tax commissioner's office shall be paid from the State Treasury monthly as approved by the Department of Revenue as provided in KRS 132.590.

Section 39. Section 133.180 of the Kentucky Revised Statutes is amended to read as follows:

When the Kentucky Tax Commission has completed its action on the assessment of property in any county, it shall, not later than June 20, certify to the county clerk the assessment and the amount of taxes due with a copy of such certification to the Department of Revenue. The Department of Revenue shall charge the amount of taxes due from the county to the sheriff of the county. When any item of property is in process of appeal as provided in KRS 133.120, and the valuation has not been finally determined, the certification of such property shall be based on the valuation claimed by the taxpayer as the true value. The county clerk shall affix the certification to the tax books and enter it of record in the order book, and it shall be the sheriff's or collector's warrant for the collection of taxes.

Section 40. Section 132.390 of the Kentucky Revised Statutes is hereby repealed.

ARTICLE II.

Section 1. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Corporation as used in KRS 136.120 through 136.180 means any corporation, company, association, partnership, or person performing any public service.

(2) Operating property as used in KRS 136.120 through 136.180 means both the operating tangible property and the franchise, and the payment of taxes on the assessment of operating property shall be deemed the payment of taxes on the operating tangible property and the franchise.

Section 2. Section 136.120 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every railway company, sleeping car company, chair car company, dining car company, gas company, water company, ferry company, bridge company, street railway company, interurban electric railroad company, express company, electric light company, electric power company, telephone company, telegraph company, bus line company, regular route common carrier trucking company, air transport company, pipeline company, common carrier water transportation company, and every other like company or business performing any public service shall annually pay a tax on its operating property to the state and to the extent such property is liable to taxation shall pay a local tax thereon to the county, incorporated city, and taxing district in which its operating property is located.

(2) The property of such taxpayers shall be classified as operating property, nonoperating tangible property, and nonoperating intangible property. Nonoperating intangible property within the taxing jurisdiction of the Commonwealth shall be taxable for state purposes only at the same rate as the intangible property of other taxpayers not performing public services, and operating property and nonoperating tangible property shall be subject to state and local taxes at the same rate as the tangible property of other taxpayers not performing public services.

(3) The Department of Revenue shall have sole power to value and assess all of the property of every corporation, company, association, partnership, or person performing any public service, including those enumerated above and all others to whom this section may apply, whether or not such operating property, nonoperating tangible property, or nonoperating intangible property has heretofore been assessed by said department, and shall, except as provided in subsection (4) of this section, allocate such assessment as provided by KRS 136.170, and shall certify operating property liable to local taxation and nonoperating tangible property to the counties, cities, and taxing districts as provided in KRS 136.180. All of the property assessed by the department pursuant to this section shall be assessed as of December 31 each year for the following year's taxes, and the lien therefor shall attach as of such assessment date. Provided, however, that in the case of a taxpayer whose business is predominantly nonpublic service and the public service business in which he is

engaged is merely incidental to his principal business, the department shall in the exercise of its judgment and discretion determine, from evidence which it may have or obtain, what portion of the operating property is devoted to the public service business subject to assessment by the department under this section and shall require the remainder of the property not so engaged to be assessed by the local taxing authorities.

(4) (a) The Department of Revenue shall likewise have sole power to value and assess all the property within the taxing jurisdiction of this Commonwealth of every refrigerator car company, tank car company, coal car company, every like car company, and every irregular route common carrier truck company and may, in determining the proportion of the value of such property within the taxing jurisdiction of Kentucky, take into consideration the car or truck mileage made by the cars or trucks of such companies. The department shall not certify the assessment of the rolling stock of such companies to any county, city, or taxing district, but shall apportion and certify the operating property, other than rolling stock, to the counties, cities, and taxing districts where such property is located. The rolling stock of such companies shall be taxable for state purposes only at the rate of two dollars and fifty cents upon each one hundred dollars of value, and shall not be subject to taxation by a county, city, or other taxing district.

(b) The property of taxpayers within the meaning of paragraph (a) of this subsection shall likewise be classified as operating property, nonoperating tangible property, and nonoperating intangible property. The nonoperating intangible property of the companies within the meaning of this subsection which are within the taxing jurisdiction of the Commonwealth shall be taxable for state purposes at the same rate as the intangible property of nonpublic service taxpayers.

(5) (a) Notwithstanding the provisions of subsections (3) and (4) of this section, every corporation, company, association, partnership, or person performing any public service who is required to be assessed under this Article shall annually list for assessment with the county tax commissioner and other local assessors in the county in which the vehicle is registered in the same manner as all other persons all of its motor vehicles registered in Kentucky. Any motor vehicle required to be registered by the Department of Motor Transportation shall be listed for assessment with the county tax commissioner and other local assessors in the county in which it is principally operated.

(b) Every corporation, company, association, partnership, or person performing any public service, required by subsection (5) (a) to list its motor vehicles with the county tax commissioner and other local assessors, shall pay the tax to the county sheriff and other local collectors in the same manner required for the payment of other ad valorem taxes.

Section 3. Section 136.130 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each corporation included in KRS 136.120 (1) shall annually, between December 31 and March 31 following, make and deliver to the Department of Revenue a report, verified by an officer of the corporation in such form as the department may prescribe, showing such of the following facts as may be requested by the department: The name and principal place of business of the corporation; the kind of business engaged in; the amount of capital stock, preferred and common, and the number of shares of each; the amount of stock paid up; the par and fair cash value of the stock; the highest price at which such stock was sold at a bona fide sale within twelve months next before December 31 of the year for which the report is required to be made; the amount of surplus funds and undivided profits; the total amount of indebtedness as principal; the cost and year acquired of all operating property owned, operated, or leased, including property under construction, property held for future use, and the depreciation attributable thereto as of December 31, the cost and year acquired of all nonoperating tangible property and the depreciation attributable thereto; the cost and market value as of December 31 of all intangible property; the value of all other assets; the operating and nonoperating revenues, the net utility operating income before and after depreciation and before and after income taxes, the net income from operations, the net income including income from investments, and income from all other sources for twelve months next preceding December 31 of the year for which the report is required; the amount and kind of operating property in this state, and where situated in each county, city, and taxing district, assessed or liable to assessment in this state, and the fair cash value thereof, the length and description of all the lines operated, owned, or leased in this state and in each county, city, and taxing district; and such other facts as the department may require.

(2) The report shall cover the period of twelve months ending December 31. The department may change the date of the reports to conform to any change in date established by federal regulations.

(3) If any corporation is in the hands or under the control of a receiver or other person, by order of a court, the receiver or other person shall make the reports required by this section and by KRS 136.140.

(4) All public service corporations included in KRS 136.120 shall file with the report required by subsection (1) of this section a copy of all reports to their stockholders and a complete copy of their report to the Kentucky regulating authority for the year ending December 31.

Section 4. Section 136.140 of the Kentucky Revised Statutes is amended to read as follows:

(1) If a public service corporation, foreign or domestic, operates

and conducts its business in other states as well as in this state, the report required by KRS 136.130 shall show the following additional facts: the cost and year acquired of the operating property operated, owned, or leased, including property under construction, property held for future use, and depreciation attributable thereto for the property in this state as of December 31; and such other facts as the department may require.

(2) All public service corporations included in KRS 136.120 shall file with the report required by KRS 136.130 and this section a copy of all reports to their stockholders and a complete copy of their report to the federal regulating agency if their operations are interstate.

(3) Companies assessed under subsection (4) of Section 2 of this Article shall annually, between December 31 and March 31 following, make and deliver to the Department of Revenue a report verified by an officer of the corporation in such form as the department may prescribe, showing the following facts: The name and principal place of business of the corporation; the kind of business engaged in; the cost of its rolling stock by types and the depreciation attributable thereto; the average age of the rolling stock by types; the rolling stock mileage made by the rolling stock in Kentucky and the rolling stock mileage made by the rolling stock everywhere for twelve months next preceding December 31 of the year for which the report is required; and such other facts as the department may require.

Section 5. Section 136.160 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Department of Revenue shall determine the fair cash value of the operating property of a domestic public service corporation as a unit. The fair cash value of the operating property shall be equalized.

(2) The Department of Revenue shall determine the fair cash value of the operating property of a foreign public service corporation or a domestic public service corporation with property or routes in Kentucky and outside Kentucky as a unit according to subsection (1). The fair cash value of the operating property everywhere valued as a unit shall be apportioned to Kentucky based on the average of the property factor and the business factor. The fair cash value of the operating property in Kentucky shall be equalized.

(a) The property factor shall fairly reflect the amount of operating property operated, owned, or leased in Kentucky compared to the total amount of operating property operated, owned, or leased everywhere. An allocable portion of the rolling stock, aircraft, and watercraft of a common carrier shall be included in the operating property operated, owned, or leased in Kentucky. This factor may be a single factor or an average of several factors.

(b) The business factor shall fairly reflect the utilization of the operating property operated, owned, or leased in Kentucky compared to the utilization of the operating property operated, owned, or leased everywhere. This factor may be a single factor or an average of several factors.

(3) The Department of Revenue shall deduct the motor vehicle assessment made with the county tax commissioner after the valuation of the operating property in Kentucky is made and equalized according to subsection (1) or (2) of this section.

(4) The nonoperating tangible and nonoperating intangible property of public service corporations whose operating property is valued according to either subsections (1) or (2) shall be valued by the Department of Revenue in the same manner and according to the same standards as if this property were valued by the county tax commissioner in the county where the property has a taxable situs.

Section 6. Section 136.170 of the Kentucky Revised Statutes is amended to read as follows:

The Department of Revenue shall allocate the assessed value of the operating property in this state among the counties, cities, and other taxing districts. The location of operating property and the proportion which the length of line or route operated in such taxing district bears to the total length of lines or route operated in this state shall be considered in this allocation and such other reasonable evidence of value as the Department of Revenue may by regulations prescribe; provided, however, that the assessed value of nonoperating tangible property shall be allocated to the county, city, or other taxing district where the property is situated.

Section 7. Section 136.180 of the Kentucky Revised Statutes is amended to read as follows:

The Department of Revenue shall, immediately after fixing the assessed value of the operating property and other property of a public service corporation for taxation, notify the corporation of the valuation, and the amount of assessment for state and local purposes. When the valuation has been finally determined, the department shall immediately certify to the county clerk of each county in which any of the operating property or nonoperating tangible property assessment of the corporation is liable to local taxation, the amount thereof liable for county, city, or district tax. The certificate shall be filed by each county clerk in his office, and by him certified to the proper collecting officer of the county, city, or taxing district for collection.

Section 8. Section 136.190 of the Kentucky Revised Statutes is amended to read as follows:

(1) The superintendent of schools in each district in which any individual, group or individuals or corporation, operates public utility or other franchise taxpaying property assessed under KRS 136.120 shall, on or before the first day of January, 1957, furnish to the county clerk of the county in which the district is situated, to each franchise taxpayer within the district, and to the Department of Revenue the boundary of his school district. The superintendent of schools in each district in which any franchise-paying corporation, individual, or group of individuals operates shall, on or before the first day of January, 1958, and each year thereafter, furnish to the county clerk, to each franchise taxpayer within the district, and to the Department of Revenue any changes made in the boundary of his school district during the immediate preceding twelve months.

(2) The engineer of cities of the first class and the city clerk of cities of the second, third, fourth, fifth, and sixth classes shall notify the county clerk, each franchise taxpayer within the city, and the Department of Revenue of their boundaries in the same manner as required of the superintendent of schools in subsection (1).

(3) The responsible governing official or the chairman of the governing body of any taxing district other than the county, school district, or city shall notify the county clerk, each franchise taxpayer within the district, and the Department of Revenue of their boundaries in the same manner as required of the superintendent of schools in subsection (1).

Section 9. Section 136.200 of the Kentucky Revised Statutes is amended to read as follows:

The assessment of railroad bridges spanning any river that constitutes a boundary of the state shall be allocated to the counties in which they are located, and the local tax derived therefrom shall be applied to each city, county, or taxing district in which the bridges are located.

Section 10. Sections 136.210 and 136.220 of the Kentucky Revised Statutes are repealed.

ARTICLE III

Section 1. Section 141.205 of the Kentucky Revised Statutes is amended to read as follows:

(1) The department shall permit or require any parent corporation or subsidiary corporation doing business within this state to file a consolidated return covering the entire operations of the parent corporation and its subsidiaries, whenever it finds that the intercorporate transactions of the related group tend to reduce the net income of the corporation, or corporations, doing business within this state below the amount that would probably result if such corporation, or corporations, was not a member of the related group.

(2) The department is authorized and empowered, in such manner as it may determine, to assess the tax against any of the corporations whose net income is involved in the consolidated return upon the basis of the combined net income and such other information as it may possess, or it may adjust the tax in such other manner as it shall determine necessary to prevent avoidance of taxes or to clearly reflect the net income earned by such corporation or corporations from property located and business done within this state.

(3) Any corporation owning or controlling either directly or indirectly eighty per cent or more of the voting stock of another corporation shall be deemed a parent corporation for purposes of this section. Any corporation having a parent corporation shall be deemed a subsidiary corporation for purposes of this section. Corporations having a common parent shall be considered members of a related group.

(4) If the consolidated return required under this section is not filed within sixty days after demand by the department, said parent corporation or subsidiary corporation or both, shall be subject to the penalty provided in this chapter for failure to file returns.

(5) In the case of a corporation doing business in this state and not permitted or required to file a consolidated return under subsection (1) of this section that carries on transactions with stockholders, directly or indirectly, the department shall adjust the net income of such corporation to an amount that would result if such transactions were carried on at arm's length.

(6) In the case of a corporation which is not permitted or required to file a consolidated return under subsection (1) of this section and which participates in the filing of a consolidated return under Section 1501 of the Internal Revenue Code, deduction for federal income tax shall be determined in the same manner as if the corporation had filed a separate return under the Internal Revenue Code and paid the tax accordingly.

Section 2. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) For all taxable years beginning on or after January 1, 1961, every corporation subject to taxation under KRS 141.040 shall make a declaration of estimated tax if the tax imposed by KRS 141.040 for the taxable year can reasonably be expected to exceed five thousand dollars.

(2) The declaration required under subsection (1) shall contain the following information:

(a) The amount which is estimated as the amount of tax under KRS 141.040 for the taxable year;

(b) The excess of the amount estimated under paragraph (a) over five thousand dollars, which excess for purposes of this Article shall be considered the estimated tax for the taxable year;

(c) Such other information as the department by forms or regulations may prescribe.

(3) The declaration required under subsection (1) shall be filed with the department on or before May 15 of the taxable year, except that if the requirements of subsection (1) are first met:

(a) After May 1 and before September 2 of the taxable year, the declaration shall be filed on or before September 15 of the taxable year;

(b) After September 1 of the taxable year, the declaration shall be filed on or before December 15 of the taxable year.

(4) A corporation may make amendments of a declaration filed during the taxable year in accordance with regulations prescribed by the department. An amendment of a declaration may be filed in any interval between the installment dates prescribed for that taxable year but only one amendment may be filed in each such interval. If any amendment of a declaration is filed, the remaining installments, if any, shall be ratably increased or decreased as the case may be, to reflect the increase or decrease of the estimated tax by reason of such amendment. If any amendment is made after September 15 of the taxable year, any increase in the estimated tax by reason thereof shall be paid in full at the time of making such amendment.

(5) A corporation with a taxable year of less than twelve months shall make a declaration in accordance with regulations prescribed by the department.

(6) The department may grant a reasonable extension of time for filing declarations and paying the estimated tax under such rules and regulations as it may prescribe. If any extension operates to postpone a payment of estimated tax, interest at the rate of one-half of one per cent per month or part thereof shall be collected.

Section 3. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The estimated tax provided for in Section ---- shall be paid as follows:

(a) If the declaration is filed on or before May 15 of the taxable year, the estimated tax shall be paid in three equal installments. The first installment shall be paid at the time of the filing of the declaration. The second and third installments shall be paid on September 15 and December 15, respectively, of the taxable year.

(b) If the declaration is filed after May 15 and not after September 15 of the taxable year and is not required by Section 2 of this Article to be filed on or before May 15 of the taxable year, the estimated tax shall be paid in two equal installments. The first installment shall be paid at the time of the filing of the declaration and the second installment on December 15 of the taxable year.

(c) If the declaration is filed after September 15 of the taxable year and is not required to be filed on or before September 15 of the taxable year, the estimated tax shall be paid in full at the time of the filing of the declaration.

(d) If the declaration is filed after the time prescribed in Section 2 of this Article, including cases where extensions of time have been granted, paragraphs (a), (b), and (c) of this subsection shall not apply, and there shall be paid at the time of such filing all installments of estimated tax which would have been payable on or before such time if the declaration had been filed within the time prescribed in Section 2 of this Article, and the remaining installments shall be paid at the times at which, and in the amounts in which, they would have been payable if the declaration had been so filed.

(2) In the case where the tax computed under Chapter 141, of the Kentucky Revised Statutes, is less than the amount which has been declared and paid as estimated tax for the same taxable year, a refund shall be made upon the filing of a return, together with interest on such overpayment at the rate of six per cent per annum from the fifteenth day of the seventh month following the close of the taxable year for which the return is filed, or from the fifteenth day of the fourth month following the filing of the return if the return is filed later than the normal filing date.

(3) (a) Overpayment resulting from the payment of estimated tax in excess of the amount determined to be due upon the filing of a return for the same taxable year may be credited against the amount of estimated tax determined to be due on any declaration filed for the next succeeding taxable year or for any deficiency or nonpayment of tax for any previous taxable year.

(b) No refund shall be made of any estimated tax paid unless a complete return is filed as required by Chapter 141, Kentucky Revised Statutes.

(4) At the election of the taxpayer, any installment of the estimated tax may be paid prior to the date prescribed for its payment.

(5) In the application of this section and Section ---- to the case of a taxable year beginning on any date other than January 1, there shall be substituted for the months specified therein the relative months and dates which correspond thereto.

Section 4. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) In the case of any underpayment of estimated tax by a corporation, except as provided in subsection (4), there shall be added to the tax computed under Chapter 141, Kentucky Revised Statutes, for the taxable year, an amount determined at the rate of six per cent per annum upon the amount of underpayment determined under subsection (2) for the period of underpayment determined under subsection (3).

(2) For the purposes of subsection (1) the amount of underpayment shall be the excess of (a) the amount of installment which would be required to be paid if the estimated tax were equal to seventy per cent of the tax shown on the return for the taxable year, or if no return was filed, seventy per cent of the tax for such year over (b) the amount, if any, of the installment paid on or before the last date prescribed for payment.

(3) The period of underpayment shall run from the date the installment was required to be paid, to whichever of the following dates is earlier:

(a) The fifteenth day of the fourth month following the close of the taxable year;

(b) With respect to any portion of the underpayment, the date on which such portion is paid.

For the purpose of this subsection, a payment of estimated tax on any installment date shall be considered a payment of any previous underpayment only to the extent such payment exceeds the amount of the installment determined to be due under subsection (2) (a) above for such installment date.

(4) Notwithstanding the provisions of the preceding subsections, the addition of the tax with respect to any underpayment of any installment shall not be imposed if the total amount of all payments of estimated tax made on or before the last date prescribed for the payment of such installment equals or exceeds the amount which would have been required to have been paid on such date if the estimated tax were whichever of the following is the lesser:

(a) The tax shown on the return of a corporation for the preceding taxable year reduced by $5,000, if the return showing liability for the tax was filed by the corporation for the preceding taxable year and such preceding year was a taxable year of twelve months.

(b) An amount equal to the tax computed at the rates applicable to the taxable year, but otherwise on the basis of the facts shown on the return of the corporation and the law applicable to the preceding taxable year.

ARTICLE IV

Section 1. Section 138.344 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who shall purchase gasoline, on which the tax as imposed by KRS 138.220 has been paid, for the purpose of operating or propelling stationary gasoline engines or tractors for agricultural purposes, shall be reimbursed to the extent of ninety percent of the tax so paid on such gasoline; provided, however, that no refund shall be authorized unless applications therefor and all necessary information shall be filed with the Department of Revenue

within ninety days after the close of a calendar year during or in which such purchases were made; or at any time during the calendar year during or in which such purchase was made; and further provided that no refund shall be authorized for purchases of less than fifty gallons.

(2) The only information to be required from the permit holder, by the Department of Revenue, in order that such refund may be allowed, is as follows:

(a) Name and address of permit holder---------------------- ------------------------------------permit number--------------

(b) Total number of gallons purchased------------and total purchase price----------------(Invoices to be attached to refund application)

(c) Total number of gallons used in tractors on highways----- ----------------

(d) Total number of gallons on which refund is claimed------ ----------------(Line b minus line c)

Section 2. Section 138.450 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 138.460 and 138.470, unless the context requires otherwise:

(1) "Dealer" means any person engaged in the sale of motor vehicles at retail.

(2) "Motor vehicle" means any vehicle that is propelled by other than muscular power and that is used for transportation of persons or property over the public highways of the state, except road rollers, vehicles that travel exclusively on rails, and vehicles propelled by electric power obtained from overhead wires.

(3) "Retail price" for new motor vehicles shall be determined by the price for which the vehicle with all equipment and accessories, standard and optional, is sold by regular authorized dealers in motor vehicles in the county in which the license is applied for, or, if not sold in that county, then in the nearest county in which the motor vehicle is sold; for used motor vehicles it shall be determined by the value given in the Automotive Reference Manual prescribed by the Department of Revenue.

Section 3. Section 138.460 of the Kentucky Revised Statutes is amended to read as follows:

(1) A tax levied upon ninety percent of its retail price at the rate of three percent shall be paid on the use in this state of every motor vehicle, except those exempted by KRS 138.470, at the time and in the manner provided in this section.

(2) The tax shall be collected by the county clerk or other officer with whom the vehicle is required to be registered when he collects the registration fee for registering and licensing the

motor vehicle the first time it is offered for registration in this state. The tax shall be accounted for to the Department of Revenue as registration and license fees are by law accounted for. The county clerk shall be paid by the state, for his services in collecting the tax, an amount equal to two percent of the tax collected and accounted for.

(3) No county clerk or other officer shall register or issue any license tags to the owner of any motor vehicle subject to this tax, when the vehicle is then being offered for registration for the first time, unless the owner pays the motor vehicle usage tax in addition to the registration and license fees.

(4) No county clerk or other officer shall register or issue any license tags to the owner of any motor vehicle subject to this tax, when the vehicle is then being offered for registration for the first time, unless the seller or his agent delivers to the county clerk or other officer a certified or photostat copy of the manufacturer's price label for passenger cars or a certified or photostat copy of the itemized billing to the customer in the case of all other motor vehicles; and the clerk shall attach the certified or photostat copy to the copy of the registration certificate mailed to the department.

Section 4. Section 138.565 of the Kentucky Revised Statutes is amended to read as follows:

(1) An excise tax of seven cents per gallon is hereby levied and shall be paid by the special fuels dealer to the department on all taxable special fuels delivered to the licensed special fuels user-seller, or withdrawn by the special fuels dealer to propel any motor vehicles on the public highways either within or without this state, except a special fuels dealer engaged in the business of transporting persons for hire who shall pay said tax with respect to special fuels actually used in this state. An allowance of one percent of the tax shall be made to the special fuels dealer to cover unaccountable losses, bad debts, and handling and reporting the tax.

(2) Two-sevenths of all amounts received by reason of the tax paid under subsection (1) shall be set aside by the Department of Highways for the construction, reconstruction, and maintenance of rural and secondary roads and for no other purpose.

(3) No other excise or license tax shall be levied or assessed on special fuels by any political subdivision of the state.

Section 5. Section 138.655 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 138.655 to 138.725 and 138.990 (17) and (18), unless the context requires otherwise:

(1) "Department" means Department of Revenue;

(2) "Person" includes every natural person, fiduciary, association, state or political subdivision, or corporation. Whenever used in any

clause describing and imposing imprisonment the term "person" as applied to an association means and includes the partners or members thereof, and as applied to a corporation the officers thereof;

(3) "Public highway" means every way or place generally open to the use of the public as a matter or right for the purpose of vehicular travel notwithstanding that it may be temporarily closed or travel thereon restricted for the purpose of construction, maintenance, repair or reconstruction;

(4) "Motor vehicle" means any vehicle, machine or mechanical contrivance propelled by an internal combustion engine and licensed for operation and operated upon the public highways and any trailer or semi-trailer attached to or having its front end supported by such motor vehicle;

(5) "Motor carrier" means every person who operates or causes to be operated on any highway in this state, any bus engaged in hauling passengers for hire operating under a certificate of convenience and necessity and any truck or tractor-trailer combination having a total of three or more axles. The number of axles referred to herein shall include not only those axles on the power unit but if a tractor-trailer combination is involved, also those axles on the trailer or semi-trailer. The term "motor carrier" shall include every common and contract carrier possessing authority as such from the Interstate Commerce Commission together with those engaged in transporting in interstate commerce in this state commodities not regulated by the Interstate Commerce Commission. The term "motor carrier" shall not mean or shall not include any person operating or causing to be operated a city bus except city buses operated across the border of the State of Kentucky;

(6) "City bus" means any motor vehicle used for the transportation of persons for hire exclusively within the limits of any city or within ten miles of its limits over a regular route and exclusively within the boundaries of this state;

(7) "Heavy equipment motor carrier" means any person who operates on the public highways of this state as a "motor carrier" as defined in subsection (5) of this section, except that it shall not include motor vehicles used to transport persons for hire;

(8) "Trip permit" means a permit for the operating during a ten consecutive day period of any "heavy equipment motor carrier" not licensed under KRS 138.665;

(9) "Licensee" means for purposes of KRS 138.655 through 138.725 any person who has been granted a license as a "motor carrier" or a "heavy equipment motor carrier";

(10) "Use" means the consumption of gasoline and special fuels in propelling motor vehicles on the public highways;

(11) "Gasoline" means gasoline as defined in KRS 138.210 (4);

(12) "Special fuels" means and includes all combustible gases and liquids used for the generation of power in an internal combustion engine to propel vehicles of any kind upon the public highways, except that it does not include gasoline as defined in KRS 138.210 (4);

(13) "Quarterly" for the purposes of KRS 138.655 to 138.725 means a three-month period ending June 30 in the year 1956 and each succeeding three-month period thereafter.

Section 6. Section 138.695 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every licensee subject to the tax imposed by subsections (1) and (2) of KRS 138.660 shall be entitled to a credit for each quarterly period equivalent to seven cents per gallon of gasoline and seven cents per gallon on special fuels purchased by such licensee during such period for use in its operations on public highways within and without this state, provided such gasoline and special fuels were purchased in Kentucky during the same period and the tax imposed by KRS 138.220 and KRS 138.565 has been paid. Evidence of the payment of such tax in such form as may be required by or satisfactory to the department shall be furnished by each such licensee claiming the credit herein allowed.

(2) The department shall at the close of each quarterly period, ending September 30, December 31, March 31, and June 30, compute all credits granted by the department during such quarter, which credits shall be, except as provided in subsection (3), applied only to taxes due on any report filed for the next consecutive two quarters, except that no credit shall operate to reduce the amount of surtax due under KRS 138.655 to KRS 138.725.

(3) If the credit or credits referred to in subsections (1) and (2) would expire solely by reason of the lapse of time allowed in subsection (2), then the balance of any credit shall be refunded to the licensee, provided application therefor and all necessary information shall be filed with department within sixty days after the time the credit would otherwise expire as provided in subsection (2), provided a tax is paid to another state or states for use of said gasoline or special fuels, and provided the tax return required by KRS 138.685 is filed on time and credit claimed thereon. Refunds shall be applicable only to credits that result from Kentucky taxpaid purchases starting July 1, 1960 and thereafter. No refund shall operate to reduce the amount of any surtax due under KRS 138.655 to KRS 138.725.

(4) In order to facilitate administration of the credits and refunds allowed herein, the department shall prescribe what records must be kept by the licensee or any other person and the department shall also prescribe the form and content of said records and any reports to be made relative thereto.

Section 7. Section 138.705 of the Kentucky Revised Statutes is amended to read as follows:

(1) The department may audit the books and records of each licensee who has at any time since the last audit was made applied for a credit or refund thereunder and make such other investigations as it deems necessary to determine whether the credits or refunds applied for constitute proper claims.

(2) If gasoline or special fuels taxes are erroneously credited or refunded, the department shall advise the licensee of the erroneous credit or refund. If the licensee fails to reimburse the Commonwealth within fifteen days after the receipt of notice, an action may be instituted by the department in the Franklin Circuit Court and the department shall recover from the licensee the amount of the erroneous credit or refund plus a penalty of twenty percent.

Section 8. A new section of the Kentucky Revised Statutes is created to read as follows:

The exemptions allowed under KRS 279.200 and KRS 279.530 shall not apply to the taxes levied under KRS chapter 138 and no refund shall be allowed by reason of the provisions of KRS 279.200 or KRS 279.530.

Section 9. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) City and suburban bus companies operating under a certificate of convenience and necessity issued pursuant to KRS chapter 281 shall be entitled to a refund of two-sevenths of the amount of KRS chapter 138 taxes paid on motor fuels used in their regularly scheduled operations in Kentucky.

(2) No person shall be entitled to a refund hereunder unless he shall have first filed with the Department of Revenue a bond with approved surety in an amount of not less than one thousand dollars nor more than five thousand dollars to be determined by the Department of Revenue, conditioned upon faithful compliance with this section and upon the payment to the Commonwealth of any refunds to which he was not entitled.

(3) Applications for refund shall on or before the last day of each month following the quarter, September 30, December 31, March 31, and June 30, be made to the Department of Revenue on forms and in the manner prescribed by it for the refund of tax paid on motor fuel used by buses during the quarter. Each application for a refund shall show the number of gallons of motor fuel purchased during the quarter for use in buses; the date and quantity of each purchase; the vendor from whom such fuel was purchased; the number of gallons on which refund is claimed, and such other information as the Department of Revenue may require. The application shall be made under oath.

(4) The Department of Revenue shall audit the application and make such other investigation as it deems necessary to determine whether it constitutes a proper claim. When the Department of Revenue is satisfied that a refund is proper it shall authorize two-sevenths of the amount of the tax paid to be refunded as other refunds are made and the amount refunded shall be deducted from current motor fuel tax receipts.

(5) When the Department of Revenue finds that an application for a refund contains a false or fraudulent statement or that a refund has been fraudulently obtained, the Department of Revenue shall refuse to grant any refunds to the person making such false or fraudulent statement or fraudulently obtaining a refund for a period of two years from the date of such findings.

(6) The Department of Revenue may prescribe, adopt and enforce regulations relating to the administration and enforcement thereof;

(7) The refund provided herein shall be effective on motor fuel purchased July 1, 1960 and thereafter.

Section 10. Section 186.070 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every manufacturer of, or dealer in, motor vehicles in this state shall register with each county clerk in which his principal office or place of business and any branch office or subagent or agency is located, and pay an annual registration fee of twenty-five dollars to each clerk. Upon receipt of this fee, the clerk shall issue the manufacturer or dealer a certificate of registration and one dealer plate. Every manufacturer or dealer registered under this section shall be furnished additional dealer's plates upon the payment of five dollars for each plate so desired. A motor vehicle bearing dealer's plates may be used only by a member of the firm registered or by a bona fide salesman or employe of the firm for any purpose reasonably connected with the sale or demonstration for sale and delivery of the dealer's motor vehicles, or by any manufacturer or dealer licensed as provided above in transporting any motor vehicle over the highways of this state to his place of retail business from a manufacturer or wholesaler dealer in motor vehicles. Any dealer in motor vehicles may allow any bona fide customer or the customer's employes to use the dealer's tag on the motor vehicle that is being demonstrated. This provision shall be limited to one trip or demonstration to the same prospective customer.

(2) Each manufacturer and dealer when making application for dealer's plates shall file a verified statement with the clerk, giving the name and address of each member of the firm and each bona fide salesman or employe entitled to the use of the plates for demonstration purposes only. When any bona fide salesman or employe so registered is no longer in the employ of the firm, an amended verified

statement shall be filed with the clerk showing that fact, and when any additional salesmen or employes are employed, an amended verified statement showing their names and addresses shall be filed with the clerk so that the records in the clerk's office will at all times show the bona fide salesmen and employes actually in the service of the registered dealer or manufacturer.

(3) Any manufacturer or dealer violating any of the provisions of this section may be cited by the Department of Revenue to show cause at a public hearing before the Kentucky Tax Commission why his dealer's license should not be suspended and his dealer's plates cancelled by the commission. The manufacturer or dealer shall be notified by registered letter or summons. Upon cause the Kentucky Tax Commission shall have the power to suspend for the period of not less than thirty days nor more than ninety days the manufacturer's or dealer's license and to cancel his dealer's plates. The aggrieved manufacturer or dealer may appeal from the ruling of the Kentucky Tax Commission according to the provisions of KRS 131.120. Such manufacturer or dealer whose license has been suspended is prohibited from engaging in the business of selling or buying motor vehicles. The license of any manufacturer or dealer shall be revoked for a period of one year and his dealer's plates cancelled in the event he violates any of the provisions of this section during this suspension period or has been suspended by the commission more than twice for violations of this section. At the end of the revocation or suspension period the manufacturer or dealer whose license has been revoked or suspended and dealer's plates cancelled may follow the provisions of this section and again be registered and secure dealer's plates from the clerk.

Section 11. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The county clerk shall not transfer the registration of any motor vehicle unless evidence is presented in such form as the department may prescribe that all excise taxes imposed on the sale, transfer or use of the motor vehicle have been paid. In any case where the transferor or transferee is a dealer as defined in KRS 190.010, no proof of payment of such taxes is required.

(2) Any clerk who violates this section shall be subject to the penalties prescribed in KRS 186.990 (1).

Section 12. A new section of the Kentucky Revised Statutes is created to read as follows:

If a motor vehicle dealer acquires a used motor vehicle by cash trade-in or in any other manner and fails to have the registration transferred to his name prior to the time the vehicle is sold or otherwise transferred to another person, he shall be cited by the Department of Revenue to show cause at a public hearing before the Kentucky Tax Commission why his dealer's license should not be revoked and his dealer's plates cancelled by the commission.

Section 13. A new section of the Kentucky Revised Statutes is created to read as follows:

The Department of Revenue is hereby authorized and empowered to design, issue and regulate the use of temporary permits for use in cases where dealers' plates cannot be used. No such temporary permit shall be valid in any event for more than five days. A person purchasing said permit shall pay a fee of twenty-five cents per permit to the clerk for his services. The Department of Revenue is hereby authorized and empowered to promulgate rules and regulations for the administration of this section.

ARTICLE V

Section 1. Section 243.730 of the Kentucky Revised Statutes is amended to read as follows:

(1) (a) Wholesalers of distilled spirits and wine shall pay and report the tax levied by KRS 243.720 (1) (2) on or before the fifteenth day of the calendar month next succeeding the month in which possession or title of the alcoholic beverages is acquired, in accordance with rules and regulations of the Department of Revenue designed reasonably to protect the revenues of the Commonwealth.

(b) After March 31, 1960, brewers of malt beverages shall pay and report the tax levied by KRS 243.720 (3) on or before the fifteenth day of the calendar month next succeeding the month in which the brewer sells, transfers, or passes title of the malt beverage to a distributor, retailer or consumer within this state, in accordance with rules and regulations of the Department of Revenue designed reasonably to protect the revenues of the Commonwealth.

(2) (a) Every wholesaler of distilled spirits or wine before using, selling or distributing by sale or gift distilled spirits and wine shall qualify with the Department of Revenue. In order to so qualify, and in lieu of furnishing a bond or other security, each wholesaler who was licensed in this state on February 29, 1960, shall make an advance payment of tax to the Department in an amount equal to twice the average monthly liability of such wholesaler for taxes imposed by KRS 243.720 (1) (2) during the calendar year 1959 as shown by records of the Department. If such wholesaler shall have in his possession unused tax stamps which he has already purchased from the Department, he may apply the unused stamps toward the amount of tax required by this subsection according to the rules and regulations of the Department.

(b) Any person who acquired or who shall acquire a license as a wholesaler of distilled spirits or wine on or after March 1, 1960 shall immediately prepare and file a report on a form prescribed by the Department. Such report shall contain an estimate of the total number of wine gallons of distilled spirits and the total number of gallons of wine for which the wholesaler expects to become liable for the payment of tax under KRS 243.720 (1) (2) during the first twelve months that he is engaged in business. Immediately upon the receipt of the report from the wholesaler, the Department shall determine the average monthly amount of tax imposed by KRS 243.720 (1) (2) for which it appears that the wholesaler may become liable and shall bill the wholesaler for an amount of tax equal to twice the monthly average. The Department shall have the power to adjust the estimate in order to make it conform as nearly as practicable with the past experience of other wholesalers who have been engaged in business for twelve months or more, and in no event shall the advance payment required of any new wholesaler be less than one-half of the average amount of advance payments required under paragraph (a) of this subsection, as determined by the Department. The bill for advance tax shall be due and payable immediately upon receipt by the wholesaler. He shall make payment to the Department by cashier's or certified check before using, selling or distributing by sale or gift any distilled spirits or wine.

(3) (a) Beginning April 1, 1960, every brewer before selling or distributing by sale or gift malt beverages, or before importing malt beverages into the state, shall qualify with the Department of Revenue. In order to so qualify, each brewer who was licensed in this state on February 29, 1960, or who was qualified to import malt beverages into this state on February 29, 1960, shall make an advance payment of tax to the Department in an amount equal to twice the average monthly liability of such brewer for taxes imposed by KRS 243.720 (3) during the calendar year 1959 as shown by records of the Department. If such brewer shall have in his possession unused barrel stamps which he has already purchased from the Department, he may apply the unused barrel stamps toward the amount of tax required by this subsection according to the rules and regulations of the Department.

(b) Any person who acquired or who shall acquire a license as a brewer, or who shall apply for authority to import malt beverages into this state on or after March 1, 1960, shall immediately prepare and file a report on a form prescribed by the Department. Such report shall contain an estimate of the total quantity of malt beverages for which the brewer expects to become liable for the payment of tax under KRS 243.720 (3) during the first twelve months that he is engaged in business. Immediately upon the receipt of the report from the brewer, the Department shall determine the average monthly amount of tax imposed by KRS 243.720 (3) for which it appears that the brewer may become liable and shall bill the brewer for an amount of tax equal to twice the monthly average. The Department shall have the power to adjust the estimate in order to make it conform as nearly as practicable with the past experience of other brewers who have been engaged in business for twelve months or more, and in no event shall the advance payment required of any new brewer be less than one-half of the average amount of advance payment required under paragraph (a) of this subsection, as determined by the Department. The bill for advance tax shall be due and payable immediately upon receipt by the brewer. He shall make payment to the Department by cashier's or certified check before selling or distributing malt beverages or before importing malt beverages into this state.

(4) No part of any advance payment made pursuant to subsections (2) and (3) of this section shall be subject to refund but shall be restored to the wholesaler or brewer in the form of a credit or credits only at such time as the wholesaler or brewer ceases doing business in Kentucky according to rules and regulations of the Department.

(5) This section shall not be construed in any manner which would require any wholesaler or brewer who has already made an advance payment of tax prior to the effective date of this Article according to rules and regulations of the Department of Revenue to make any additional advance payment in order to qualify hereunder.

(6) The Department is hereby authorized and empowered to require a corporate surety bond in an amount satisfactory to the Department from all persons who were qualified to import malt beverages into this state on February 29, 1960, but who did not in fact import any malt beverages during the calendar year 1959, before such person shall import malt beverages after the effective date of this Article.

Section 2. Sections 243.740, 243.750, 243.760, 243.770, 243.780, 243.800, 243.810, 243.820, 243.830, 243.840 and 243.860 of the Kentucky Revised Statutes are repealed.

Section 3. Section 243.990 of the Kentucky Revised Statutes is hereby amended to read as follows:

(1) Any person who, by himself or acting through another, directly or indirectly, violates any of the provisions of KRS 243.020 to 243.670, for which no other penalty is provided, shall, for the first offense, be fined not less than one hundred nor more than two hundred dollars, or be imprisoned in the county jail or workhouse for not more than six months, or both; and for the second and each subsequent violation, he shall be fined not less than two hundred nor more than five hundred dollars, or be imprisoned in the county jail or workhouse for not more than six months, or both. The penalties provided for in this subsection shall be in addition to the revocation of the offender's license.

(2) Any person who, by himself or through another, directly

or indirectly, violates subsection (1) of KRS 243.020 shall, for the first offense, be fined not less than one hundred nor more than two hundred dollars, or be imprisoned in the county jail or workhouse for not more than six months, or both; for the second offense he shall be fined not less than two hundred nor more than five hundred dollars, or be imprisoned in the county jail or workhouse for not more than six months, or both; and for the third and each subsequent offense, he shall be fined not less than five hundred nor more than five thousand dollars, or be imprisoned in the penitentiary for not more than five years, or both.

(3) Any person who violates subsection (3) of KRS 243.020 shall be fined not less than one hundred nor more than five hundred dollars.

(4) Any person who violates KRS 243.620 with respect to a license issued under KRS 243.050 shall be fined not less than fifty nor more than five hundred dollars.

(5) Any person who violates any of the provisions of KRS 243.680 to 243.700 shall be fined not less than five hundred nor more than one thousand dollars.

(6) Any person who fails to pay the taxes imposed by KRS 243.680 to 243.700 within fifteen days after they have become due, shall pay a penalty of twenty percent on the amount of the tax due.

(7) Any person who violates any of the provisions of KRS 243.720 or 243.730 or any regulation issued thereunder shall be fined not less than fifty dollars nor more than one thousand dollars, or be imprisoned for not less than thirty days nor more than one year, or both.

(8) Any person required to pay any tax imposed by KRS 243.720 or 243.730, who fails to pay the tax when due shall pay a penalty equal to twenty percent of the amount of the tax due and delinquent together with interest at six percent per annum.

(9) If after withdrawing distilled spirits under KRS 243.870 any person sells same, or any part thereof, or places same in the ordinary channels of trade, he shall be fined not less than five hundred nor more than two thousand dollars or imprisoned for not less than thirty days nor more than sixty days, or both.

ARTICLE VI

Section 1. A new section of the Kentucky Revised Statutes is created to read as follows:

When the Department of Revenue claims that a decedent was domiciled in Kentucky at the time of death and the taxing authorities of another state or states make a similar claim with respect to their state or states, the Commissioner of Revenue may enter into a written agreement with such taxing authorities and the executor, administrator or trustee, fixing the sum acceptable to the department in full settlement of the inheritance or estate taxes imposable under Chapter 140 of the Kentucky Revised Statutes. Such agreement shall also fix the sum acceptable to such other state or states in full settlement of the death taxes imposable by such state or states.

If the aggregate amount payable under such agreement to the states involved is less than the maximum sum allowable as a credit to the estate against the Federal estate tax imposed thereon, then the executor, administrator or trustee shall also pay to the State of Kentucky as an estate tax so much of the difference between such aggregate amount and the amount of such credit as the amount payable to Kentucky under the agreement bears to such aggregate amount.

Section 2. Section 395.230 of the Kentucky Revised Statutes is repealed.

ARTICLE VII

Section 1. If any section, subsection, clause, sentence or phrase of this Act which is reasonably separable from the remaining portions of this Act is for any reason held to be unconstitutional, such decision shall not affect the remaining portions of this Act. The Legislature hereby declares that it would have passed the remaining portion of this Act irrespective of the fact that any such section, subsection, clause, sentence or phrase of this Act be declared unconstitutional.

Section 2. To carry out the purposes of Section 17 of Article I of this Act there is hereby appropriated to the Department of Revenue out of the General Expenditure Fund in the State Treasury the sum of thirty-five thousand dollars for fiscal year 1960-61. Notwithstanding the provisions of KRS 45.230, any unexpended or unencumbered balance of such appropriation for fiscal year 1960-61 remaining at the end of such fiscal year shall be carried forward and be available for expenditure at any time during the 1961-62 fiscal year and no portion shall lapse to the General Expenditure Fund until after the 1961-62 fiscal year.

Section 3. The provisions of subsection (1) of Section 14, Section 16, Section 18, and Section 19 of Article I of this Act shall become effective the first Monday in December, 1961.

Section 4. The provisions of Section 20 and Section 23 of Article I of this Act shall become effective March 1, 1961.

Section 5. The provisions of Section 37 of Article I of this Act shall become effective July 2, 1960.

Section 6. The provisions of Article IV of this Act shall become effective July 1, 1960.

Section 7. All revenues accruing under this Act shall be credited to the General Expenditure Fund, except Article IV.

Section 8. All revenues which accrue to the General Expenditure Fund from Sections 2 and 3 of Article III of this Act during 1960-61 and 1961-62 not otherwise appropriated are hereby appropriated to the Capital Construction Fund to be used under the provisions of KRS, Chapter 56.

Section 9. Whereas, it is imperative to conserve the revenues of the local taxing districts of the Commonwealth, an emergency is declared to exist, and Article II of this Act shall become effective upon its passage and approval by the Governor.

Section 10. Whereas, regulations which discontinue the use of stamps, tax crowns and lids as the means of evidencing the payment of taxes imposed by KRS 243.720 have already been promulgated by the Department of Revenue, an emergency is declared to exist and Article V of this Act shall become effective upon its passage and approval by the Governor.

Committee on Rules reported **HB 401** with the expression of opinion that the same should pass with Committee Substitute. Read at length for the first time and ordered placed in the Calendar.

Committee substitute for **HB 401** AN ACT relating to strip mining and reclamation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of the Kentucky Revised Statutes is created to read as follows:

There hereby is created in the Department of Conservation a Strip Mining and Reclamation Commission, which shall be composed of the Commissioner of Conservation, serving as chairman, the Chief of the Department of Mines and Minerals, and the Director of Strip Mining and Reclamation. The members of the commission, other than the Director of Strip Mining and Reclamation, shall receive no compensation for their services on the commission, but shall be reimbursed for their expenses incurred in performing their functions. The commission shall meet from time to time on the call of any member, but shall meet at least four times each year.

Section 2. A new section of the Kentucky Revised Statutes is created to read as follows:

The records, property, personnel, any unexepended appropriation balances and trust and agency funds maintained for carrying out the functions of the Department of Conservation in the field of strip mining and reclamation as provided in KRS 350, are hereby transferred to the Strip Mining and Reclamation Commission.

Section 3. Section 350.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in this Act unless the context otherwise requires:

(1) "Strip Mining" means all or any part of the process followed in the production of commercial coal from a natural coal deposit by the open pit or open cut method or the auger method, but shall not include the casual removal of coal in building roads or other developments of the owner's property for purposes other than the production of coal by the open pit or open cut method or auger method;

(2) "Overburden" means all the earth and other materials which are removed to gain access to the commerical coal in the process of strip mining;

(3) "Area of land affected" means the area of land from which overburden is to be or has been removed and upon which the overburden is to be or has been deposited;

(4) "Operation" means all of the premises, facilities and equipment used in the process of producing coal from a designated strip mine area;

(5) "Operator" means any person, partnership or corporation engaged in strip mining who removes or intends to remove more than two hundred and fifty tons of coal from the earth by strip mining within twelve successive calendar months under such circumstances and conditions that injury or damage may be caused by reason thereof to the property of some person or persons other than the owner of the property mined or to be mined;

(6) "Person" means persons, partnership or corporation;

(7) "Division" means the Division of Strip Mining and Reclamation;

(8) "Director" means the Director of the Division of Strip Mining and Reclamation of the Department of Conservation;

(9) "Commission" means the Strip Mining and Reclamation Commission;

(10) "Reclamation" means the reconditioning of the area of land affected by a strip mining operation under a plan approved by the commission.

Section 4. Section 350.060 of the Kentucky Revised Statutes is amended to read as follows:

(1) No operator shall engage in strip mining without having first obtained from the Division a permit designating the area of land affected by the operation. The permit shall authorize the operator to engage in strip mining upon the area of land described

in his application for a period of one year from the date of its issuance.

(2) An operator desiring a permit shall file an application which shall state:

(a) The location and area of land to be affected by the operation, with a description of access to the area from the nearest public highways;

(b) The owner or owners of the surface of the area of land to be affected by the permit;

(c) The owner or owners of the coal to be mined;

(d) The source of the applicant's legal right to enter and mine the coal on the land affected by the permit;

(e) The permanent and temporary post office addresses of the applicant;

(f) Whether the applicant holds any other permits under this chapter, and an identification of such permits.

(3) The application for a permit shall be accompanied by two copies of an accurate map of the area involved. The map shall:

(a) Be made by an engineer;

(b) Identify the area to correspond with the application;

(c) Not be part of a map made for some other purpose, but shall show adjacent deep mining and adjacent surface owners;

(d) Be made to a scale of not less than one hundred feet to the inch and not to exceed six hundred and sixty feet to the inch;

(e) Show the name of all creeks, roads, buildings, oil and gas wells and lines on the area to be strip mined and within two hundred feet of such area;

(f) Show the total area involved in the operation, the area of the coal to be strip mined, and the area of land affected.

(4) A basic fee of fifty dollars plus ten dollars for each acre or fraction thereof of the area of land to be affected by the operation shall be paid before the permit required herein shall be issued. The operator shall file with the Division a bond payable to the Commonwealth of Kentucky with surety satisfactory to the Division in the penal sum to be determined by the Commission of not less than one hundred dollars nor more than two hundred fifty dollars for each acre or fraction thereof of the area of land affected conditioned upon the faithful performance of the requirements set forth in this Chapter and of the rules and regulations of the Commission. In determining the amount of the bond within the above limits, the Division shall take into consideration the purpose for which the bond is required, the character and future suitable use of the land involved, and the cost of reclamation to be required.

Section 5. Section 350.090 of the Kentucky Revised Statutes is amended to read as follows:

Under regulations adopted by the commission, an operator shall prepare and carry out a reclamation plan for the area of land affected by his operation. The plan shall be approved by the Division and may require the operator to:

(1) Cover the face of the coal and, where practicable, all toxic materials, roof coal, pyritic coal or shale determined by the Division to be acid-producing or creating a fire hazard;

(2) Seal off any break-through creating a hazard;

(3) Impound, drain or treat all runoff water so as to reduce soil erosion, damage to agricultural lands and pollution of streams and other waters;

(4) Remove or bury all metal, lumber and other refuse resulting from the operation;

(5) Grade the overburden, where practicable, and provide suitable vegetative cover;

(6) Cover all holes at the face that have been made by the auger mining operation.

Section 6. Section 350.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person or operator who violates any of the provisions of this Chapter or who fails to perform the duties imposed by these sections, or fails or refuses to obtain a permit as provided herein, or who violates any determination or order promulgated pursuant to the provisions of this Chapter, shall be liable to a civil penalty of not more than two hundred fifty dollars for said violation, and an additional civil penalty of not more than two hundred fifty dollars for each day during which such violation continues, and in addition, may be enjoined from continuing such violations as hereinafter provided in this section. Such penalties shall be recoverable in an action brought in the name of the Commonwealth of Kentucky by the attorney general.

(2) It shall be the duty of the attorney general, upon the request of the Director to bring an action for the recovery of the penalties herein provided for and to bring an action for a restaining order, temporary or permanent injunction, against any operator or other person violating or threatening to violate any of the provisions of this Chapter or violating or threatening to violate any order or determination promulgated pursuant to the provisions of this Chapter.

(3) Any person who shall willfully violate any of the provisions of this Chapter, or any determination or order promulgated pursuant to the sections of this Chapter which have become final shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than five hundred dollars and not more

than one thousand five hundred dollars. Each day upon which such violation occurs shall constitute a separate offense.

Section 7. Sections 350.005 and 350.045 of the Kentucky Revised Statutes are repealed.

Committee on Rules reported **SB 223, SB 224, SB 158, SB 225, SB 180, SB 168** and **SB 165** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 223 AN ACT relating to turnpikes and providing a method, alternative to KRS 177.390 to 177.570, for the construction and financing thereof; creating The Turnpike Authority of Kentucky as an independent corporate agency and instrumentality of the Commonwealth for such purpose, and prescribing its membership, powers, and manner of proceeding; authorizing the Authority to make agreements and leases with the Department of Highways for the construction and operation of turnpikes and appurtenant facilities, and for the financing of such construction by the Authority through issuance of its revenue bonds; providing for the payment of such bonds; and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. *Legislative Intent.* This Act is intended to supplement KRS 177.390 to 177.570 by providing an additional and alternative method for the provision and financing of turnpikes and appurtenant facilities to the end that such projects may be undertaken in such manner as may best be calculated to expedite relief from hazardous and congested traffic conditions on the highways in the Commonwealth and to provide acceptable avenues of commerce and inter-communication by vehicular traffic among the several sections of the Commonwealth.

Section 2. *Turnpike Authority of Kentucky; membership; meetings; quorum; a corporate independent agency and instrumentality.*

(a) The Governor, the Lieutenant Governor, the Commissioner of Highways, the State Highway Engineer, and the Attorney General, and their respective successors in office, shall be a body corporate and politic constituting a public corporation and governmental agency and instrumentality of the Commonwealth by the name of "The Turnpike Authority of Kentucky", with perpetual succession and with power in that name to contract and be contracted with, sue and be sued, have and use a corporate seal, and exercise, in addition to the powers and functions specifically stated in this Act, all of the usual powers of private corporations to the extent that the same are not inconsistent with specifically enumerated powers.

(b) The members of the Authority shall receive no compensation for their services in that capacity, but shall be entitled to reimbursement for all reasonable expenses necessarily incurred in connection with performance of their duties and functions as such members.

(c) Three members of the Authority shall constitute a quorum for the transaction of business, and in the absence of a quorum, one or more members may adjourn from time to time until a quorum is convened. Within ninety (90) days from the effective date of this Act, the Authority shall convene and organize. The Governor shall, by virtue of his office, be the chairman of the Authority and the Lieutenant Governor shall in like manner be the vice-chairman. The Authority shall elect a Secretary and a Treasurer who shall not be members of the Authority, each of whom shall serve at the pleasure of the Authority and shall receive such compensation as may be determined by the Authority with approval of the Commissioner of Personnel to be paid from the budgeted funds of the department. The Treasurer shall give bond to the Authority and the Commonwealth conditioned upon his faithful accounting for all funds coming into his custody from time to time, the same to be in such amount as the Authority may prescribe, with corporate surety given by a surety company qualified to do business in the Commonwealth, premium therefor to be paid by the Authority. The Authority shall establish and maintain an office in premises which shall be provided for that purpose by the Department of Highways without cost to the Authority; and the Secretary of the Authority shall at all times maintain therein complete records of all of the Authority's actions and proceedings, which shall constitute public records open to inspection at reasonable times.

Section 3. *Definition.* As used in this Act, the following words shall have the following respective meanings, unless another or different meaning or intent shall be clearly indicated by the context:

(1) The word "Authority" shall mean The Turnpike Authority of Kentucky.

(2) The word "department" shall mean the Department of Highways, or, if said department shall be abolished, the department, board, body or commission succeeding to the principal functions thereof or to whom the powers given by KRS 177.390 to 177.570 to the department shall be given by law.

(3) The word "project" or the words "turnpike project" shall mean any express highway or superhighway or such part or parts thereof as may be constructed by the Authority under the provisions of this Act, including all bridges, tunnels, overpasses, underpasses, interchanges, entrance plazas, approaches, connecting highways, toll houses, service stations, garages, restaurants, and administration, storage and other buildings and facilities which the Authority may deem necessary for the operation of such project, together with all

property, rights, easements and interests which may be acquired by the Authority or by the department for the construction or the operation of such project.

(4) The word "cost" as applied to a turnpike project shall embrace the cost of construction, the cost of the acquisition of all land, rights-of-way, property, rights, easements and interests acquired for such construction, the cost of demolishing or removing any buildings or structures on land so acquired, including the cost of acquiring any lands to which such buildings or structures may be moved, the cost of all machinery and equipment, financing charges, provision for working capital in such amount as the Authority shall determine to be reasonable, interest prior to and during construction and, if deemed advisable by the Authority, for a period not exceeding two years after completion of construction, cost of traffic estimates, engineering and legal expenses, cost of plans, specifications, surveys, estimates of cost and of revenues, other expenses as may be necessary or incident to determining the feasibility or practicability of constructing any such project, administrative expenses, and such other expense as may be necessary or incident to the construction of the project, the financing of such construction and the placing of the project in operation. Any obligation or expense hereafter incurred for a turnpike project by the Authority or by the department on behalf of the Authority, and any obligation or expense heretofore incurred by the department for any such turnpike project, for traffic surveys, borings, preparation of plans and specifications, engineering, and other services in connection with the construction of a project may be regarded as a part of the cost of such project and may, if advanced by the department, be reimbursed to it out of the proceeds of turnpike revenue bonds of the Authority.

(5) The word "public highways" shall include all public highways, roads and streets in the Commonwealth, whether maintained by the Commonwealth or by any county, city, town or other political subdivision or agency.

(6) The word "bonds" or the word "revenue bonds" or "turnpike revenue bonds" shall mean revenue bonds or revenue refunding bonds of the Authority issued under the provisions of this Act.

(7) The word "owner" shall include all individuals, copartnerships, associations, or corporations having any title or interest in any property, rights, easements or interests authorized by this Act to be acquired.

(8) The word "Agreement" shall mean a written agreement, made by and between the Authority and the department under the provisions of Section 6 of this Act, providing for the financing and constructing of one or more turnpike projects by the Authority.

(9) The word "Lease" shall mean a written lease made by the Authority as lessor and the department as lessee under the provisions

of Section 7 of this Act, relating to one or more turnpike projects financed and constructed by the Authority.

(10) The word "biennium" or the words "biennial period" or "biennial term" shall mean the two-year fiscal period of the Commonwealth, commencing on July 1 in each even-numbered year and ending on June 30 in the next ensuing even-numbered year.

Section 4. Authority may undertake Turnpike Projects pursuant to agreement with the department. In order to provide for the construction of modern express highways or super-highways embodying safety devices (including, when determined by the Authority and the department to be feasible and necessary, center division, ample shoulder widths, longsight distances, two or more lanes in each direction and grade separations at intersections with other highways and railroads and other appurtenances), and thereby to facilitate vehicular traffic, remove many of the present handicaps and hazards on the congested highways in the Commonwealth, and promote the agricultural and industrial development of the Commonwealth, the Authority is hereby authorized and empowered, under and pursuant to the terms and provisions of a written Agreement or Agreements with the department as hereinafter provided, to construct, maintain, repair and operate turnpike projects, to lease such projects to the department, and to issue revenue bonds of the Authority to finance such projects.

Section 5. General powers of the Authority as to turnpike projects. The Authority is hereby authorized and empowered:

(1) To construct, reconstruct, maintain, repair, operate, and regulate turnpike projects at such locations within the Commonwealth as may be determined by the Authority and the department and provided for in an Agreement or Agreements;

(2) To acquire sites abutting on any turnpike project, as a part of such project, and to construct or contract for the construction of buildings and appurtenances for service stations, garages, restaurants and other services and to lease the same to parties other than the department for any of such purposes (or, if leases to such parties cannot be made on acceptable terms, to operate or to lease to the department any or all of the same) in such manner and under such terms as may be provided in an Agreement;

(3) To issue turnpike revenue bonds of the Authority payable solely from the tolls, revenues, rentals and other funds pledged for their payment, for the purpose of paying all or any part of the cost of any one or more turnpike projects, and to refund any of its bonds;

(4) To fix and revise from time to time and charge and collect tolls for transit over each turnpike project constructed by it, except to the extent that such powers are surrendered to the department pursuant to a Lease;

(5) To combine for financing purposes any two or more turnpike projects;

(6) To lease as lessor any turnpike project or projects to the department as lessee, pursuant to the terms and provisions of a Lease;

(7) To establish and enforce rules and regulations for the use of any turnpike project, except during any period when such powers are provided to be exercised by the department pursuant to a Lease;

(8) Without reference to Chapter 56 of the Kentucky Revised Statutes, to acquire and hold in the name of the Authority real and personal property in the exercise of its powers and the performance of its functions and duties under this Act, and to dispose of the same, with the approval of the department;

(9) To designate the locations and establish, limit and control such points of ingress to and egress from each turnpike project as the Authority and the department may determine to be necessary or desirable to insure the proper operation and maintenance of such project, and to prohibit entrance to such project from any point or points not so designated;

(10) To make and enter into such contracts and agreements with the department and other parties as may be necessary or incidental to the performance of its duties and the execution of its powers under this Act.

(11) To employ consulting engineers, attorneys, accountants, construction and financial experts, superintendents, managers, and such other employees and agents as may be necessary in the judgment of the Authority, and to fix their compensation;

(12) To receive and accept from the Commonwealth, the department, and any federal agency, grants for or in aid of the construction of any turnpike project, and to receive and accept aid or contributions from any source of either money, property, labor or other things of value, to be held, used and applied only for the purposes for which such grants and contributions may be made;

(13) To expend any funds provided under the authority of this Act in advertising the facilities and services of a turnpike project or projects to the travelling public; and

(14) To do all acts and things necessary or convenient to carry out the powers expressly granted in this Act.

Section 6. Authority and department empowered to make Agreements for construction and financing of turnpike projects by the Authority, and for leasing thereof by the department on a biennial basis; terms and provisions. In the event that the Authority and the department shall deem it suitable, feasible, necessary and expedient that any turnpike project or projects be financed or refinanced by the Authority and constructed by the Authority or by the department on behalf of the Authority under this Act, the Authority and the department are empowered to make one or more written agreements with regard thereto in which, as to each such project, the parties may include provisions as to any one or more of the following:

(a) identify the turnpike project to be financed by the Authority, setting forth in general terms, subject to necessary revision from time to time as the work progresses, the principal features including geographic location, terminal points, with of right-of-way, number of lanes in each direction, width of traffic lanes, width of shoulders, whether there shall be center division, location and nature of access points, tunnels, bridges, overpasses, underpasses, interchanges, entrance plazas, approaches, connecting highways, toll houses, service stations, garages, restaurants and other desired appurtenances;

(b) set forth what portions, if any, of the cost of the project have been or shall thereafter be contributed by the department from the funds and other resources available to it during the then current biennium and not previously obligated, which may include engineering and any other services performed by the staff of the department; and that the department, if deemed desirable, shall supervise construction on behalf of the Authority upon terms which are mutually acceptable;

(c) set forth what portions of the cost of the project shall or may be paid from the proceeds of bonds issued by the Authority under this Act;

(d) set forth any agreements of the Authority and the department with regard to planning, design, acquisition of property, soliciting construction bids, awarding construction contracts, issuing of work orders, and such other steps as may be necessary or incidental to the construction of the project, and authorizing and selling bonds for the project;

(e) agree that the project is intended to be and from and after the completion thereof will continuously constitute a link between parts of the highway system of the Commonwealth and will always be open to public travel, subject to exaction of such tolls as may be prescribed from time to time whenever and so long as the exaction of tolls may be authorized by law or required by the proceedings authorizing the issuance of the bonds or the trust indenture securing the same;

(f) agree that from and after the completion of the project the department will continuously pay all or any part of the cost of repairing, maintaining and operating the project as a public highway provided for the use of the Commonwealth, equitably belonging to the Commonwealth, and intended for ultimate unencumbered ownership by the Commonwealth;

(g) agree that upon the happening of stated events and the performance of stated conditions not inconsistent with law, the Authority shall convey the project to the Commonwealth;

(h) set forth generally or in detail any of the terms and provisions of any Lease proposed to be entered into by and between the Authority and the department under the provisions of Section 7 of this Act;

(i) agree that upon determination of the amount of bonds to be issued by the Authority for the project and the interest rate or rates the bonds are to bear, and prior to the delivery of any bonds to the purchaser thereof, the rental to be paid during the term of the Lease and each biennial term for which the Lease may be renewed shall be established according to a method of computation set forth therein and in the proposed Lease, and that the Authority and the department, each by authorized persons, shall execute such Lease and file the original or a signed counterpart thereof in the offices of the Authority, the department and the Secretary of State of the Commonwealth; and

(j) agree that the department shall set aside and, except as may be provided in any Lease entered into under the provisions of Section 7 of this Act, pay over to the Authority as revenues of the turnpike all motor fuel taxes collected by the department on gasoline and other motor fuels consumed on such turnpike, except the two-sevenths of said motor fuel taxes provided by KRS 138.220 to be set aside for the construction, reconstruction and maintenance of rural and secondary roads.

Section 7. Leases between the Authority and the department authorized; terms and provisions thereof. The Authority and the department are authorized and empowered to enter into a Lease or Leases with respect to any turnpike project or projects pursuant to any Agreement or Agreements made under the provisions of Section 6 of this Act. Any Lease may contain, in substance, any of the provisions set forth in this Section and such other provisions not inconsistent herewith as the Authority and the department may deem appropriate and desirable:

(a) that the Lease is for the remainder of the biennial period in which it is dated and executed, and is renewable at the option of the department for the succeeding biennial period, one at a time, until the final maturity date of the bond issue to which the Lease is related;

(b) that as to the cost of maintaining, repairing and operating the project, and not otherwise, the department is contractually bound not only for the remainder of the biennial period in which the Lease is dated and executed, but for the entire period of years until the final maturity of such bonds;

(c) that with respect to the biennial period in which the Lease is dated and executed, the department shall otherwise be firmly bound only (1) to contribute to the Authority such portions, if any, of the cost of the project as the Agreement prescribes shall be paid by the department, and (2) to pay to the Authority the rental prescribed for such biennium;

(d) that if the department shall fully perform all such obligations during such initial term of the Lease, it shall have an exclusive option to renew the Lease at the time and in the manner prescribed for the ensuing biennium, effective on the first day thereof; that the department shall not be or become in any way obligated to pay the rental stipulated for such biennium unless the Lease be so renewed; and that the department shall, upon any such renewal, be firmly bound to pay to the Authority the rental stipulated for such biennium as a general obligation of the department to be paid not only from the revenues of the project but also from any other available funds of the department not required by law or by previous binding contract to be devoted to some other purpose;

(e) in like manner and subject to the same conditions and provisions as are set forth in clause (d) above, if the department shall in such first ensuing biennium fully perform all its obligations and pay to the Authority the rental stipulated for such biennium, the department shall have another exclusive option to renew such Lease for another biennium; and so on for successive biennial terms until the final biennium for which the Lease may be renewed;

(f) that each such option of the department to renew the Lease for a succeeding biennial term may be exercised at any time after the adjournment of the session of the General Assembly at which appropriations shall have been made for the operation of the State Government for such succeeding biennial term, by so notifying the Authority in writing signed by the Commissioner of Highways and delivered in the office of the Authority to any officer thereof; provided, however, that such option shall be deemed automatically exercised, and the Lease automatically renewed for the succeeding biennium, effective on the first day thereof, unless a written notice of the department's election not to renew shall have been delivered in the office of the

Authority, to an officer thereof, before the close of business on the last working day in April immediately preceding the beginning of such succeeding biennium;

(g) that so long as the Lease is renewed from time to time and the department fully performs all its obligations as lessee, including payment of the rental stipulated in the Lease, (i) the revenues of the project shall be collected, segregated, distributed, deposited, secured, disbursed and accounted for in strict conformity with the proceedings and trust indenture of the Authority, and the aggregate of such revenues properly accounted for and deposited pursuant to said proceedings and trust indenture shall, if and to the extent provided in the Lease, be a credit against the department's rental or other obligations for the then current biennial term under the Lease, and (ii) any motor fuel taxes and surtaxes collected by the Commonwealth on gasoline and other motor fuels consumed on the project and set aside pursuant to an Agreement shall be applied as provided in said proceedings and trust indenture and shall, if and to the extent provided in the Lease, be a credit against the department's rental or other obligations for the then current biennial term under the Lease; and if such revenues and motor fuel taxes so provided in the Lease to be a credit against the rental or other obligations of the department under the Lease shall at any time appear to be insufficient to discharge such obligations in full when due and payable, the department shall estimate the rate of deficiency on a semi-annual basis conforming to the interest payment dates of the bonds of the Authority to which the Lease is related and shall pay the amount of such estimated deficiency to the Authority in equal monthly payments from any other available funds of the department not required by law or previous binding contract to be devoted to other purposes, subject to adjustment from estimated deficiencies to actual deficiencies at least thirty (30) days before each such semi-annual interest payment date; provided, however, that during the department's continuance in good standing in this respect the department shall have the right to establish, increase, decrease, suspend, or abolish the exaction of tolls, rates and charges for vehicular travel upon the project, but during any period when the department may elect to suspend or abolish the exaction of such tolls, rates and charges, it shall nevertheless continue to maintain in good operating condition, on a stand-by basis, all toll houses, toll gates, toll-registering and toll-collecting equipment, signs, lights, fences and other installations and facilities incident to, or used or useful in connection with, the exaction and collection of tolls, rates and charges, in order that the same may be resumed at any time, without delay;

(h) that in the event the Lease is not renewed in accordance with its terms, or in the event it is renewed and the department shall fail to perform in full its obligations thereunder, then (i) the department shall immediately be liable for the balance of the rental stipulated for the then current biennial term for which the Lease had previously been renewed, without requirement of notice or other action on the part of the Authority, and shall forthwith pay such balance to the Authority upon demand, (ii) the department shall forfeit its then current option to renew the Lease for the ensuing biennial term and its options for all future terms, (iii) the right to establish, increase, decrease, suspend, abolish the exaction of, or resume tolls, rates and charges for vehicular travel on the project shall wholly pass from the department to the Authority, and (iv) all motor fuel taxes collected by the Commonwealth on gasoline and other motor fuels consumed on the project, except the two-sevenths of said motor fuel taxes provided by KRS 138.220 to be set aside for the construction, reconstruction and maintenance of rural and secondary roads, shall thereafter be set aside and paid over to the Authority as revenues of the project for deposit in the sinking fund or funds pledged to the payment of the bonds of the Authority; and

(i) in the event of the department's forfeiture of rights as provided in subsection (h) of this section, the same may not be reassumed, nor the department restored to good standing with options to renew the Lease from time to time, except in such manner as shall not be inconsistent with the rights of the holders of outstanding bonds.

Section 8. *Policing of Projects.* Every project of the Authority shall be open to regular policing by the State Police as in the case of other public highways of the Commonwealth.

Section 9. *Grade separations; relocation or vacation of existing highways; rights of access; regulations as to public utility facilities on or along turnpike project.*

(1) The Authority shall have power to construct grade separations at intersections of any turnpike project or projects with public highways and to change and adjust the lines and grades of such highways so as to accommodate the same to the design of such grade separation. The cost of such grade separations and any damage incurred in changing and adjusting the lines and grades of highways shall be a part of the cost of such turnpike project.

(2) If the Authority shall find it necessary to change the loca-

tion or grade of any portion of any public highway, it shall cause the same to be reconstructed at such location as the Authority and the department shall deem most favorable and of substantially the same type and in as good condition as the original highway. The cost of such reconstruction and any damage incurred in changing the location or grade of any such highway shall be a part of the cost of such turnpike project.

(3) Any public highway affected by the construction of any turnpike project may be vacated or relocated by the Authority, with the approval of the department, in the manner now provided by law for the vacation or relocation of public roads and any damages awarded on account thereof shall be a part of the cost of such project.

(4) The Authority and its authorized agents and employees may enter upon any lands, waters and premises in the Commonwealth for the purpose of making such surveys, soundings, drillings and examinations as they may deem necessary or convenient for the purpose of this Act, and such entry shall not be deemed a trespass, nor shall an entry for such purposes be deemd an entry under any condemnation proceedings which may be then pending. The Authority shall make reimbursement to the owners for any actual damage resulting to such lands, waters and premises as a result of such activities on behalf of the Authority, and the same shall be a part of the cost of such project.

(5) The Authority shall have power to make reasonable regulations for the installation, construction, maintenance, repair, renewal, relocation and removal of tracks, pipes, mains, conduits, cables, wires, towers, poles and other equipment and appliances (herein called "public utility facilities") of any public utility in, on, along, over or under any turnpike project. Whenever the Authority shall determine that it is necessary that any such public utility facilities which now are, or hereafter may be, located in, on, along, over or under any turnpike project should be relocated in such turnpike project or should be removed from such turnpike project, the public utility owning or operating such facilities shall relocate or remove the same in accordance with the order of the Authority; provided, however, that the cost and expense of such relocation or removal, including the cost of installing such facilities in a new location or new locations, and the cost of any lands, or any rights or interests in lands, and any other rights, acquired to accomplish such relocation or removal, shall be a part of the cost of such turnpike project. In case of any such relocation or removal of facilities, the public utility owning or operating the same, its successors or assigns, may maintain and operate such facilities, with the necessary appurtenances, in the new location or new locations, for a long period, and upon the same terms and conditions, as it had the right to maintain and operate such facilities in their former location or locations. No utility shall have the privilege of establishing its lines or properties within the right-

of-way of a turnpike which has been constructed or is owned, maintained or operated by the Authority, except upon the conditions and terms prescribed by the Authority; however, a utility shall be permitted to connect its lines with service stations, garages, restaurants and other installations permitted by the Authority to exist upon the right-of-way of the turnpike.

(6) Costs and expenses incurred by the Authority as permitted by subsections (1), (2), (3), (4) and (5) of this section may, as provided in the applicable Agreement or Lease, (a) be paid by the Authority from the proceeds of revenue bonds issued by it for financing the turnpike propect or projects, or (b) be paid by the department from available funds without reimbursement, or (c) be advanced by the department and reimbursed to it from the proceeds of bonds issued for the project or projects under this Act.

(7) The Commonwealth hereby consents to the use of all lands owned by it, including lands lying under water, which are deemed by the Authority to be necessary for the construction or operation of any turnpike project.

Section 10. *Turnpike revenue bonds of the Authority.*

(1) The Authority is hereby authorized to provide, at one time or from time to time, for the issuance of its turnpike revenue bonds for the purpose of paying all or any part of the cost of any one or more turnpike projects undertaken pursuant to an Agreement and Lease. The principal of and the interest on such bonds shall be payable solely from the funds provided for such payment. The bonds of any issue may be in one or more series and any one or more such series may enjoy equal or subordinate status with respect to the pledge of funds from which they are payable, shall be dated, shall bear interest at such rate or rates not exceeding six percent per annum, shall mature at such time or times not exceeding forty years from their date or dates, all as may be provided by the Authority, and may be made redeemable before maturity, at the option of the Authority, at such price or prices and under such terms and conditions as may be fixed by the Authority prior to the issuance of the bonds. The Authority shall determine the form of the bonds, including any interest coupons to be attached thereto, and shall fix the denomination or denominations of the bonds and the place or places for payment of principal and interest, which may be at any bank or trust company within or without the Commonwealth. The bonds shall be signed by the facsimile signature of the Chairman of the Authority, and the seal of the Authority or a facsimile thereof shall be affixed thereto and attested by the manual signature of the Secretary of the Authority, and any coupons attached thereto shall bear the facsimile signature of the Chairman of the Authority. In case any officer whose signature or a facsimile of whose signature shall appear on any bonds or coupons shall cease to be such officer before the delivery of such

bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery. All bonds issued under the provisions of this Act shall have and are hereby declared to have all the qualities and incidents of negotiable instruments under the negotiable instruments law of the Commonwealth. The bonds may be issued in coupon or in registered form, or both, as the Authority may determine, and provision may be made for the registration of any coupon bonds as to principal alone and also as to both principal and interest, and for the reconversion into coupon bonds of any bonds registered as to both principal and interest. The Authority may sell such bonds in such manner, either at public or private sale, and for such price as it may determine will best effect the purposes of this Act, but no such sale shall be made at a price so low as to require the payment of interest on the money received therefor at more than six percent per annum computed with relation to the absolute maturity of the bonds in accordance with standard tables of bond values, excluding, however, from such computations the amount of any premium to be paid on redemption of any bonds prior to maturity.

(2) The proceeds of the bonds of each issue shall be used solely for the payment of the cost of the turnpike project or projects for which such bonds shall have been issued, and shall be disbursed in such manner and under such restrictions, if any, as the Authority may provide in the proceedings authorizing the issuance of such bonds or in the trust indenture securing the same. If the proceeds of the bonds of any issue, by error of estimates or otherwise, shall be less than such cost, additional bond may in like manner be issued to provide the amount of such deficit, and, unless otherwise provided in the proceedings authorizing the issuance of such bonds or in the trust indenture securing the same, shall be deemed to be of the same issue and shall be entitled to payment from the same fund without preference or priority of the bonds first issued. If the proceeds of the bonds of any issue shall exceed such cost, the surplus shall be deposited to the credit of the sinking fund or funds for such bonds or any account or accounts therein as the Authority shall have provided in the proceedings or trust indenture authorizing and securing such bonds.

(3) Prior to the preparation of definitive bonds, the Authority may, under like restrictions, issue interim receipts or temporary bonds, with or without coupons, exchangeable for definitive bonds when such bonds shall have been executed and are available for delivery. The Authority may also provide for the replacement of any bonds which shall become mutilated or shall be destroyed or lost. Bonds may be issued under the provisions of this Act without obtaining the consent of any department, division, commission, board, bureau or agency of the Commonwealth, and without any other proceedings or the happening of any other conditions or things, except as specifically required by this Act.

Section 11. *Bonds of the Authority not debt of Commonwealth.*

Revenue bonds issued by the Authority under the provisions of this Act shall not be deemed to constitute a debt of the department or of the Commonwealth or of any political subdivision thereof, or a pledge of the faith and credit of the department or of the Commonwealth or of any such political subdivision, but such bonds shall be payable solely from the funds provided therefor under the provisions of this Act. All such revenue bonds shall contain on the face thereof a statement to the effect that neither the Commonwealth nor the Authority shall be obligated to pay the same or the interest thereon except from revenues of the turnpike project for which they are issued, including rentals under a lease of such project to the Department of Highways of the Commonwealth for a biennium and subject to renewal for successive bienniums; and that neither the faith and credit nor the taxing power of the Commonwealth or of any political subdivision thereof is pledged to the payment of the principal of or the interest on such bonds.

Section 12. *Tolls for use of turnpike; contracts for utility and service facilities; disposition of toll revenues.*

(1) The Authority, while having the right to control tolls under this Act or any Lease, and the department, while having such right under this Act or any such Lease, are hereby authorized to fix, revise, charge and collect tolls for the use of each turnpike project and the different parts or sections thereof.

(2) The Authority, with the approval of the department, is hereby authorized to contract with any person, partnership, association or corporation desiring the use of any part of a project, including the right-of-way adjoining the paved portion, for placing thereon telephone, telegraph, electric light or power lines, service stations, garages, stores, hotels, motels, and restaurants, or for any other purpose except for tracks for railroad or railway use, and to fix the terms, conditions, rents and rates of charges for such use. A sufficient number of service stations shall be authorized to be established in each service area along any such turnpike to permit reasonable competition by private business in the public interest.

(3) During any period when tolls are under the control of the Authority, such tolls shall be so fixed and adjusted in respect of the aggregate of tolls from the turnpike project or projects in connection with which the bonds of any issue shall have been issued under the provisions of this Act as to provide funds sufficient, with any other available funds, to pay (a) the cost of maintaining, repairing and operating such turnpike project or projects, unless such cost or any part thereof is being paid by the department as authorized in this Act, and (b) the principal of and the interest on such bonds as the same shall become due and payable, and to create reserves for such purposes. Such tolls shall not be subject to supervision or regulation by any other depart-

ment, commission, board, bureau or agency of the Commonwealth. The tolls and all other revenues derived from the turnpike project or projects in connection with which the bonds of any issue shall have been issued, except such part thereof as may be necessary to pay such cost of maintenance, repair and operation and to provide such reserves therefor as may be provided for in the proceedings authorizing the issuance of such bonds or the trust indenture securing the same, shall be set aside in a sinking fund or funds which are hereby pledged to and charged with the payment of the principal of and the interest on such bonds as the same shall become due and the redemption price or the purchase price of bonds retired by call or purchase as therein provided. Such pledge shall be valid and binding from the time when the pledge is made; the tolls or other revenues or other moneys so pledged and thereafter received by the Authority shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act; and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Authority, irrespective of whether such parties have notice thereof. Neither the proceedings nor any trust indenture by which a pledge is created need be filed or recorded except in the records of the Authority and the department. The use and disposition of moneys to the credit of any such sinking fund shall be subject to the provisions of the proceedings authorizing the issuance of such bonds or of such trust indenture. Except as may otherwise be provided in such proceedings or in such trust indenture, any such sinking fund shall be a fund for all bonds provided to be payable therefrom without distinction or priority of one over another.

(4) Notwithstanding any of the foregoing provisions of this section, the department may, by separate proceedings ancillary to the proceedings of the Authority authorizing the issuance of revenue bonds or revenue refunding bonds under the provisions of this Act, covenant to pay all or any part of the cost of maintaining, repairing and operating any project constructed under the provisions of this Act, and the department may, in such proceedings, covenant to make up all or any part of any deficiency in the fund or funds pledged to and charged with the payment of the principal of and the interest on such bonds from any funds or tax revenues available for general purposes of the department and not required by law to be devoted to some other purpose, and, inasmuch as such project will have been constructed by agreement with the department for the use and benefit of the Commonwealth and will eventually become the property of the Commonwealth, any such covenant shall have the force of contract between the Commonwealth and the holders of such revenue bonds or revenue refunding bonds.

(5) Notwithstanding any of the foregoing provisions of this section, the Authority may, in the proceedings authorizing the issuance of revenue bonds or revenue refunding bonds for any turnpike project or

projects under the provisions of this Act or in the trust agreement securing such bonds, pledge to the payment of such bonds all motor fuel taxes and surtaxes collected by the Commonwealth on gasoline and other motor fuels consumed on such project or projects (except the two-sevenths of said motor fuel taxes provided by KRS 138.220 to be set aside for construction, reconstruction and maintenance of rural and secondary roads) and paid over to the Authority by the department as revenues of such project or projects, and covenant to deposit such motor fuel taxes from time to time in the sinking fund or funds pledged to the payment of such bonds. In determining the amount of motor fuel consumed on any turnpike project the department shall divide the total miles traveled on such project by passenger automobiles, single unit trucks, and semi-trailer trucks and buses as determined by the department by the average number of miles per gallon of motor fuel consumed by each of those classes of motor vehicle on the following basis:

Passenger automobiles	15 miles per gallon
Single unit trucks	10 miles per gallon
Semi-trailer trucks and buses	5 miles per gallon

Section 13. *Trust Indenture to secure bonds; rights and remedies of bond holders.* In the discretion of the Authority, any bonds issued under the provisions of this Act may be secured by a trust indenture by and between the Authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or without the Commonwealth. Such trust indenture or the proceedings providing for the issuance of such bonds may pledge or assign the tolls and other revenues to be received, but shall not convey or mortgage any turnpike project or any part thereof. Such trust indenture or proceedings may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the Authority in relation to the acquisition of property and the construction, improvement, maintenance, repair, operation and insurance of the turnpike project or projects in connection with which such bonds shall have been authorized, the rates of toll or the rentals to be charged, and the custody, safeguarding and application of all moneys. It shall be lawful for any bank or trust company incorporated under the laws of the Commonwealth which may act as depository of the proceeds of bonds or of revenues to furnish such indemnifying bonds or to pledge such securities as may be required by the Authority. Any such trust indenture may set forth the rights and remedies of the bondholders and of the trustee, and may restrict the individual right of action by bondholders. In addition to the foregoing, any such trust indenture or proceedings may contain such other provisions as the Authority may deem reasonable and proper for the security of the bondholders. All expenses incurred in carrying out the provisions of such trust indenture or proceedings may be treated as a part of the cost of the operation of the turnpike project or projects.

Section 14. *Trust funds.* All moneys received pursuant to the provisions of this Act, whether as proceeds from the sale of bonds or as revenues, shall be deemed to be trust funds to be held and applied solely as provided in this Act. The proceedings or the trust indenture shall provide that any officer with whom, or any bank or trust company with which, such moneys shall be deposited shall act as trustee of such moneys and shall hold and apply the same for the purposes hereof, subject to such regulations as this Act and such proceedings or trust indenture may provide.

Section 15. *Remedies of bondholders.* Any holder of bonds issued under the provisions of this Act or any of the coupons appertaining thereto, and the trustee under any trust indenture, except to the extent the rights herein given may be restricted by such trust indenture, may, either at law or in equity, by suit, action, mandamus or other proceedings, protect and enforce any and all rights under the laws of the Commonwealth or granted under this Act or under such trust indenture or the proceedings authorizing the issuance of such bonds, and may enforce and compel the performance of all duties required by this Act or by such trust indenture or proceedings to be performed by the Authority or by any officer or employees thereof, including the fixing, charging and collecting of tolls.

Section 16. *Turnpike properties and bonds exempt from taxation.* The exercise of the powers granted by this Act will be in all respects for the benefit of the people of the Commonwealth, for the increase of their commerce and prosperity, and for the improvement of their health and living conditions, and as the operation and maintenance of a turnpike project or projects by the Authority will constitute the performance of essential governmental functions, the Authority shall not be required to pay any taxes or assessments upon any turnpike project or any property acquired or used by the Authority under the provisions of this Act or upon the income therefrom, and the bonds issued under the provisions of this Act, their transfer and the income therefrom (including any profit made on the sale thereof) shall at all times be free from taxation within the Commonwealth.

Section 17. *Turnpike bonds eligible for purposes of investment or collateral.* Bonds issued by the Authority under the provisions of this Act are hereby made securities in which all public officers and public bodies, agencies and instrumentalities of the Commonwealth and its political subdivisions, all insurance companies, trust companies, banking associations, investment companies, executors, administrators, trustees and other fiduciaries, and all other persons whatsoever who are now or may hereafter be authorized to invest in bonds or other obligations of a similar nature may properly and legally invest funds, including capital in their control or belonging to them. Such bonds are hereby made securities which may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the Commonwealth for any purpose for which the deposit of bonds or other obligations of the Commonwealth is now or may hereafter be authorized by law.

Section 18. *Maintenance of turnpike; restoration of private property; donation of property by county or city; annual report of turnpike activities; audits; personnel of Highway Department and of Authority not to have interest in project.*

(1) Except as may otherwise be provided in the Agreement or Lease relating thereto, each turnpike project when constructed and opened to traffic shall be maintained and kept in good condition and repair by the department under the terms and provisions of such Agreement or Lease, and shall be operated and maintained by such force of tolltakers, and other operating and maintenance employees, as the department may in its discretion employ, and the department shall not be reimbursed for the cost thereof unless expressly otherwise provided in such Agreement or Lease.

(2) All private property damaged or destroyed in carrying out the powers granted by this Act shall be restored or repaired and placed in its original condition as nearly as practicable or adequate compensation made therefor out of funds provided under the authority of this Act.

(3) All counties, cities, towns and other political subdivisions and all public agencies and commissions of the Commonwealth, notwithstanding any contrary provision of law, are hereby authorized and empowered to lease, lend, grant or convey to the Authority at its request, upon such terms and conditions as the proper authorities of such counties, cities, towns, political subdivisions, agencies or commissions of the Commonwealth may deem reasonable and fair and without the necessity for any advertisement, order of court or other action or formality, other than the regular and formal action of the authorities concerned, any real property which may be necessary or convenient to the effectuation of the authorized purposes of the Authority, including public roads and other real property already devoted to public use.

(4) On or before January 30 in each year the Authority shall make an annual report of its activities for the preceding calendar year to the Governor and to the General Assembly. Each such report shall set forth a complete operating and financial statement covering its operations during the year. The Authority shall cause an audit of its books and accounts to be made at least once in each year by certified public accountants and the cost thereof may be treated as a part of

the cost of construction or operation of the project. Such audits shall be deemed to be public records within the meaning of KRS 12.140.

(5) No officer or employee of the Authority or of the department shall have any interest, direct or indirect, in the sale or purchase of any bonds authorized by this Act. Violation of this provision shall be punishable by a fine or not more than one thousand dollars or by imprisonment for not more than one year, or both.

(6) Any person who uses any turnpike project and fails or refuses to pay the toll provided therefor shall be punished by a fine of not more than one hundred dollars ($100.00) or by imprisonment for not more than thirty (30) days, or both, and in addition thereto the Authority or the department, whichever has the right to collect such toll, shall have a lien upon the vehicle driven by such person for the amount of such toll and may take and retain possession thereof until the amount of such toll and all charges and penalties in connection therewith shall have been paid.

Section 19. *Acquisition of property; condemnation; possession; special provisions for condemning railroad property.*

(1) The Authority is hereby authorized and empowered to acquire by purchase, whenever it shall deem such purchase expedient, solely from funds provided pursuant to this Act, such lands, structures, property, rights, rights-of-way, franchises, easements and other interests in lands, including lands lying under water and riparian rights, which are located within the Commonwealth, as it may deem necessary or convenient for the construction and operation of any project, upon such terms and at such prices as may be considered by it to be reasonable and can be agreed upon between it and the owner thereof, and to take title thereto in the name of the Authority.

(2) Whenever a reasonable price cannot be agreed upon, or whenever the owner is legally incapacitated or is absent, unknown or unable to convey valid title, the Authority is hereby authorized and empowered to acquire by condemnation or by the exercise of the power of eminent domain any lands, property, rights, rights-of-way, franchises, easements and other property, including public lands, parks, playgrounds, reservations, highways or parkways, or parts thereof or rights therein, of any person, copartnership, association, railroad, public service, public utility or other corporation, or municipality or political subdivision, deemed necessary or convenient for the construction or the efficient operation of any project or necessary in the restoration of public or private property damaged or destroyed. Any such proceedings shall be conducted, and the compensation to be paid shall be ascertained and paid, in the manner provided by the Constitution and laws of the Commonwealth then applicable which relate to condemnation or to the exercise of the power of eminent domain by the department. Title to any property acquired by the Authority shall be taken in the name of the Authority. In any condemnation proceedings

the court having jurisdiction of the suit, action or proceeding may make such orders as may be just to the Authority and to the owners of the property to be condemned and may require an undertaking or other security to secure such owners against any loss or damage by reason of the failure of the Authority to accept and pay for the property, but neither such undertaking or security nor any act or obligation of the Authority shall impose any liability upon the Commonwealth except as may be paid from the funds provided under this Act.

(3) If the owner, lessee or occupier of any property to be condemned shall refuse to remove his personal property therefrom or give up his possession thereof, the Authority may proceed to obtain possession in any manner now or hereafter provided by law.

(4) With respect to any railroad property or right-of-way upon which railroad tracks are located, any powers of condemnation or of eminent domain may be exercised to acquire only an easement interest therein which shall be located either sufficiently far above or sufficiently far below the grade of any railroad track or tracks upon such railroad property so that neither the proposed project nor any part thereof, including any bridges, abutments, columns, supporting structures and appurtenances, nor any traffic upon it, shall interfere in any manner with the use, operation or maintenance of the trains, tracks, works or appurtenances or other property of the railroad nor endanger the movement of the trains or traffic upon the tracks of the railroad. Prior to the institution of condemnation proceedings for such easement over or under such railroad property or right-of-way, plans and specifications of the proposed project showing compliance with the above mentioned above or below grade requirements and showing sufficient and safe plans and specifications of such overhead or undergrade structure and appurtenances shall be submitted to the railroad for examination and approval. If the railroad fails or refuses within thirty days to approve the plans and specifications so submitted, the matter shall be submitted to the Public Service Commission of Kentucky whose decision arrived at after due consideration in accordance with its usual procedure, shall be final as to the sufficiency and safety of such plans and specifications and as to such elevations or distances above or below the tracks. Said overhead or undergrade structure and appurtenances shall be constructed only in accordance with such plans and specifications and in accordance with such elevations or distances above or below the tracks so approved by the railroad or the Public Service Commission as the case may be. A copy of the plans and specifications approved by the railroad or the Public Service Commission shall be filed as an exhibit with the petition for condemnation.

Section 20. *Refunding Bonds; additional bonds.* The Authority is hereby authorized to provide for the issuance of its turnpike revenue refunding bonds for the purpose of refunding any bonds then outstanding which shall have been issued under the provisions of this

Act, including the payment of any redemption premium thereon and any interest accrued or to accrue to the date of redemption of such bonds, and, if the Authority shall so determine, for the additional purpose of constructing improvements, extensions, or enlargements of the turnpike project or projects in connection with which the bonds to be refunded shall have been issued. The Authority is further authorized to provide for the issuance of its turnpike revenue bonds for the combined purpose of (a) refunding any bonds then outstanding which shall have been issued under the provisions of this Act, including the payment of any redemption premium thereon and any interest accrued or to accrue to the date of redemption of such bonds, and (b) paying all or any part of the cost of any additional turnpike project or projects. The issuance of such bonds, the maturities and other details thereof, the rights of the holders thereof, and the rights, duties and obligations of the Authority in respect of the same, shall be governed by the provisions of this Act in so far as the same may be applicable.

Section 21. Transfer of turnpike to highway system after retirement of bonds. Except as hereinafter provided in this section, when all bonds issued under the provisions of this Act in connection with any turnpike project or projects and the interest thereon shall have been paid or a sufficient amount for the payment of all such bonds and the interest thereon to the maturity thereof shall have been set aside in trust for the benefit of the bondholders, such project or projects, if then in good condition and repair, shall be conveyed by the Authority to the Commonwealth and shall become part of the state highway system and shall thereafter be maintained by the department free of tolls; provided, however, that the department may, in any proceedings or trust indenture authorizing or securing bonds under the provisions of this Act, provide for combining for financing purposes any two or more turnpike projects theretofore constructed or thereafter to be constructed, and for the reimposition or continuance of tolls on each such turnpike project until all such bonds and the interest thereon shall have been paid or a sufficient amount for such purposes shall have been set aside in trust for the benefit of the bondholders.

Section 22. Preliminary expenses of turnpike project. The department is hereby authorized in its discretion to expend such moneys as may be necessary for the study of any turnpike project or projects and to use its engineering and other forces and employ consulting engineers and traffic engineers for the purpose of effecting such study, and to pay for such additional engineering and traffic and other expert studies as it may deem expedient. All such expenses incurred by the department prior to the issuance of turnpike revenue bonds under the provisions of this Act shall be paid by the department and charged to the appropriate turnpike project or projects, and the department shall keep proper records and accounts showing each amount so charged. Upon the sale of turnpike revenue bonds of the Authority for any turnpike project or projects, the funds so expended by the department in connection with such project or projects may be reimbursed by the Authority to the department from the proceeds of such bonds if provision to that effect is made in the proceedings or trust indenture authorizing and securing such bonds.

Section 23. *Turnpike Authority law is alternative.* This Act shall be deemed to provide an additional and alternative method for the doing of the things authorized thereby, and shall be regarded as supplemental and additional to powers conferred by other laws, and shall not be regarded as in derogation of any powers now existing; provided, however, that the issuance of turnpike revenue bonds or turnpike revenue refunding bonds by the Authority under the provisions of this Act need not comply with the requirements of any other law applicable to the issuance of bonds.

Section 24. *Constitutional construction.* The provisions of this Act are severable, and if any of its provisions shall be held unconstitutional by any court of competent jurisdiction, the decision of such court shall not affect or impair any of the remaining provisions. It is hereby declared to be the legislative intent that this Act would have been adopted had any such unconstitutional provision not been included therein.

Section 25. *Declaration of Emergency.* It is hereby determined that the public safety and general welfare urgently require the immediate undertaking of one or more turnpike projects, that in the construction and financing thereof it is important that the alternative course of procedure provided by this Act be available for use, and that unless this Act is made effective immediately it will not be useful during a substantial portion of the 1960 construction season. Accordingly, it is hereby declared that an emergency exists with reference to the matters embraced in this Act, and this Act shall become effective upon its approval by the Governor.

SB 224, AN ACT relating to Turnpikes and their financing; amending and re-enacting KRS 177.390, 177.400, 177.410, 177.430, 177.450, 177.470, 177.480, 177.520, 177.530, 177.550, and 177.560; and declaring an emergency.

WHEREAS, the General Assembly considers it to be essential in the public interest that the construction and financing of limited access toll roads or turnpikes be expedited and facilitated in order to supplement other highway and road programs and afford acceptable avenues of commerce and inter-communication by vehicular traffic among the several sections of the Commonwealth; and

WHEREAS, the development of express highways or super highways, wherever suitable and practicable, including, when feasible and necessary, safety devices such as center division, ample shoulder width, longsight distances and two or more traffic lanes in each direction with grade separations at intersections with other highways and railroads, will facilitate vehicular traffic, reduce hazards, attract tourist travel, give better access to State Parks and scenic areas, encourage the location of new industries in the Commonwealth and otherwise contribute to the public safety and general welfare; and to these ends it is deemed appropriate and desirable to amend certain sections of KRS 177.390 to 177.570, in such manner as to profit by the experience of Kentucky and other states in the construction, development, operation, maintenance and financing of such projects in recent years; now, therefore,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 177.390 is amended and re-enacted to read as follows:

177.390 Definitions for KRS 177.390 to 177.570. As used in KRS 177.390 to 177.570, the following words and terms shall have the following meanings, unless the context shall indicate another or different meaning or intent:

(1) The word "department" shall mean the Department of Highways, or, if said department shall be abolished, the department, board, body or commission succeeding to the principal functions thereof or to whom the powers given by KRS 177.390 to 177.570 to the department shall be given by law.

(2) The word "project" or the words "turnpike project" shall mean any express highway or superhighway or such part or parts thereof as may be constructed under the provisions of KRS 177.390 to 177.570 by the department, including all bridges, tunnels, overpasses, underpasses, interchanges, entrance plazas, approaches, connecting highways, toll houses, service stations, garages, restaurants, and administration, storage and other buildings and facilities which the department may deem necessary for the operation of such project, together with all property, rights, easements and interests which may be acquired by the department for the construction or the operation of such project.

(3) The word "cost" as applied to a turnpike project shall embrace the cost of construction, the cost of the acquisition of all land, right-of-ways, property, rights, easements and interests acquired by the department for such construction, the cost of demolishing or removing any buildings or structures on land so acquired, including the cost of acquiring any lands to which such buildings or structures may be moved, the cost of all machinery and equipment, financing charges, provision for working capital in such amount as the department shall determine to be reasonable, interest prior to and during construction and, if deemed advisable by the department, for a period not exceeding two years after completion of construction, cost of traffic estimates and

of engineering and legal expenses, plans, specifications, surveys, estimates of cost and of revenues, other expenses necessary or incident to determining the feasibility or practicability of constructing any such project, administrative expense, and such other expense as may be necessary or incident to the construction of the project, the financing of such construction and the placing of the project in operation. Any obligation or expense heretofore or hereafter incurred by the department for traffic surveys, borings, preparation of plans and specifications, engineering, and other services in connection with the construction of a project shall be regarded as a part of the cost of such project and may be reimbursed to the Commonwealth out of the proceeds of turnpike revenue bonds hereinafter authorized in KRS 177.400 to 177.570.

(4) The words "public highways" shall include all public highways, roads and streets in the Commonwealth, whether maintained by the Commonwealth or by any county, city, town or other political subdivision.

(5) The word "bonds" or the words "turnpike revenue bonds" shall mean revenue bonds of the Commonwealth authorized under the provisions of KRS 177.390 to 177.570.

(6) The word "owner" shall include all individuals, co-partnerships, associations or corporations having any title or interest in any property, rights, easements and interests authorized to be acquired by KRS 177.390 to 177.570.

Section 2. KRS 177.400 is amended and re-enacted to read:

177.400 Turnpike projects authorized. In order to provide for the construction of modern express highways or superhighways embodying safety devices, including, when determined by the Department to be feasible and necessary, center division, ample shoulder widths, longsight distances, two or more lanes in each direction and grade separations at intersections with other highways and railroads, and thereby facilitate vehicular traffic, remove many of the present handicaps and hazards on the congested highways in the Commonwealth, and promote the agricultural and industrial development of the Commonwealth, the Department of Highways is hereby authorized and empowered to construct, maintain, repair and operate turnpike projects, and to issue revenue bonds of the Commonwealth to finance such projects.

Section 3. KRS 177.410 is amended and re-enacted to read:

177.410 General powers of Department of Highways as to turnpike projects. The department is hereby authorized and empowered:

(1) To construct, reconstruct, maintain, repair, operate, regulate and police turnpike projects at such locations within the Commonwealth as may be determined by the department and approved by the Governor;

(2) To acquire sites abutting on any turnpike project, and to construct or contract for the construction of buildings and appurtenances for service stations, garages, restaurants and other services and to lease the same to others for any of such purposes (or, if leases cannot be made on acceptable terms, to operate any and all of the same) in such manner and under such terms as the department may determine;

(3) To issue turnpike revenue bonds of the Commonwealth, payable solely from the tolls, revenues and other funds pledged for their payment, for the purpose of paying all or any part of the cost of any one or more turnpike projects, and to refund any of its bonds, all as provided in KRS 177.390 to 177.570;

(4) To fix and revise from time to time and charge and collect tolls for transit over each turnpike project constructed by it;

(5) To combine for financing purposes any two or more turnpike projects;

(6) To establish rules and regulations for the use of any turnpike project;

(7) To acquire, hold and dispose of real and personal property in the exercise of its powers and the performance of its duties under KRS 177.390 to 177.570, without reference to Chapter 56 of the Kentucky Revised Statutes;

(8) To designate the locations and establish, limit and control such points of ingress to egress from each turnpike project as the department may determine to be necessary or desirable in the judgment of the department to insure the proper operation and maintenance of such project, and to prohibit entrance to such project from any point or points not so designated;

(9) To make and enter into all contracts and agreements necessary or incidental to the performance of its duties and the execution of its powers under KRS 177.390 to 177.570;

(10) To employ consulting engineers, attorneys, accountants, construction and financial experts, superintendents, managers, and such other employes and agents as may be necessary in its judgment, and to fix their compensation;

(11) To receive and accept from any federal agency grants for or in aid of the construction of any turnpike project, and to receive and accept aid or contributions from any source of either money, property, labor or other things of value, to be held, used and applied only for the purposes for which such grants and contributions may be made;

(12) To expend any funds provided under the authority of KRS 177.390 to 177.570 in advertising the facilities and services of a turnpike project or projects to the travelling public; and

(13) To do all acts and things necessary or convenient to carry out the powers expressly granted in KRS 177.390 to 177.570.

Section 4. KRS 177.430 is amended and re-enacted to read:

177.430 Grade separations; relocation or vacation of existing highway; rights of access; regulations as to public utility facilities on or along turnpike project.

(1) The department shall have power to construct grade separations at intersections of any turnpike project with public highways and to change and adjust the lines and grades of such highways so as to accommodate the same to the design of such grade separation. The cost of such grade separations and any damage incurred in changing and adjusting the lines and grades of such highways shall be ascertained and paid by the department as a part of the cost of such turnpike project.

(2) If the department shall find it necessary to change the location of any portion of any public highway, it shall cause the same to be reconstructed at such location as the department shall deem most favorable and of substantially the same type and in as good condition as the original highway. The cost of such reconstruction and any damage incurred in changing the location of any such highway shall be ascertained and paid by the department as a part of the cost of such turnpike project.

(3) Any public highway affected by the construction of any turnpike project may be vacated or relocated by the department in the manner now provided by law for the vacation or relocation of public roads, and any damages awarded on account thereof shall be paid by the department as a part of the cost of such project.

(4) In addition to the foregoing powers the department and its authorized agents and employes may enter upon any lands, waters and premises in the Commonwealth for the purpose of making surveys, soundings, drillings and examinations as they may deem necessary or convenient for the purposes of KRS 177.390 to 177.570, and such entry shall not be deemed a trespass, nor shall an entry for such purposes be deemed an entry under any condemnation proceedings which may be then pending. The department shall make reimbursement for any actual damage resulting to such lands, waters and premises as a result of such activities.

(5) The department shall also have power to make reasonable regulations for the installation, construction, maintenance, repair, renewal, relocation and removal of tracks, pipes, mains, conduits, cables, wires, towers, poles and other equipment and appliances (herein called "public utility facilities") of any public utility, in, on, along, over or under any turnpike project. Whenever the department shall determine that it is necessary that any such public utility facilities which now are, or hereafter may be, located in, on, along,

over or under any turnpike project should be relocated in such turnpike project, or should be removed from such turnpike project, the public utility owning or operating such facilities shall relocate or remove the same in accordance with the order of the department; provided, however, that the cost and expenses of such relocation or removal, including the cost of installing such facilities in a new location or new locations, and the cost of any lands, or any rights or interests in lands, and any other rights, acquired to accomplish such relocation or removal, shall be ascertained and paid by the department as a part of the cost of such turnpike project. In case of any such relocation or removal of facilities, the public utility owning or operating the same, its successors or assigns, may maintain and operate such facilities, with the necessary appurtenances, in the new location or new locations, for as long a period, and upon the same terms and conditions, as it had the right to maintain and operate such facilities in their former location or locations. No utility shall have the privilege of establishing its lines or properties within the right-of-way of a turnpike, except upon the conditions and terms prescribed by the department; however, a utility shall be permitted to connect its lines with service stations, garages, restaurants and other installations permitted to exist upon the right-of-way of the turnpike.

(6) Costs and expenses paid by the department as permitted by subsections (1), (2), (3), and (5) of this section may in the discretion of the department be reimbursed to it from the proceeds of bonds issued for the project or projects under KRS 177.390 to 177.570 if so provided in the proceedings or trust indenture pursuant to which such bonds are issued.

(7) The Commonwealth hereby consents to the use of all lands owned by it, including lands lying under water, which are deemed by the department to be necessary for the construction or operation of any turnpike project.

Section 5. KRS 177.450 is amended and re-enacted to read:

177.450 Turnpike revenue bonds.

(1) The department is hereby authorized to provide, at one time or from time to time, for the issuance of turnpike revenue bonds of the Commonwealth for the purpose of paying all or any part of the cost of any one or more turnpike projects. The principal of and the interest on such bonds shall be payable solely from the funds provided in KRS 177.390 to 177.570 for such payment. The bonds of any issue may be in one or more series and any one or more of such series may enjoy equal or subordinate status with respect to the pledge of funds from which they are payable, shall be dated, shall bear interest at such rate or rates not exceeding six percent per annum, shall mature at such time or times not exceeding forty years from their date or dates, all as may be determined by the

department, and may be made redeemable before maturity, at the option of the department, at such price or prices and under such terms and conditions as may be fixed by the department prior to the issuance of the bonds. The department shall determine the form of the bonds, including any interest coupons to be attached thereto, and shall fix the denomination or denominations of the bonds and the place or places for payment of principal and interest, which may be at any bank or trust company within or without the Commonwealth. The bonds shall be signed by the Commissioner of Highways, and the great seal of the Commonwealth or a facsimile thereof shall be affixed thereto and attested by the Secretary of State by his facsimile signature, and any coupons attached thereto shall bear the facsimile signature of said Commissioner of Highways. In case any officer whose signature or a facsimile of whose signature shall appear on any bonds or coupons shall cease to be such officer before the delivery of such bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery. All bonds issued under the provisions of KRS 177.390 to 177.570 shall have and are hereby declared to have all the qualities and incidents of negotiable instruments under the negotiable instruments laws of the Commonwealth. The bonds may be issued in coupon or in registered form, or both, as the department may determine, and provision may be made for the registration of any coupon bonds as to principal alone and also as to both principal and interest, and for the reconversion into coupon bonds of any bonds registered as to both principal and interest. The Department may sell such bonds in such manner, either at public or private sale, and for such price as it may determine will best effect the purposes of KRS 177.390 to 177.570, but no such sale shall be made at a price so low as to require the payment of interest on the money received therefor at more than six percent per annum computed with relation to the absolute maturity of the bonds in accordance with standard tables of bond values, excluding, however, from such computations the amount of any premium to be paid on redemption of any bonds prior to maturity.

(2) The proceeds of the bonds of each issue shall be used solely for the payment of the cost of the turnpike project or projects for which such bonds shall have been issued, and shall be disbursed in such manner and under such restrictions, if any, as the department may provide in the proceedings authorizing the issuance of such bonds or in the trust agreement mentioned in KRS 177.460 securing the same. If the proceeds of the bonds of any issue, by error of estimates or otherwise, shall be less than such cost, additional bonds may in like manner be issued to provide the amount of such deficit, and, unless otherwise provided in the proceedings authorizing the issuance of such bonds or in the trust agreement securing the same, shall be deemed to be of the same issue and shall be entitled to

payment from the same fund without preference or priority of the bonds first issued. If the proceeds of the bonds of any issue shall exceed such cost, the surplus shall be deposited to the credit of the sinking fund or funds for such bonds or any account or accounts therein as the department shall have provided in the proceedings or trust agreement authorizing and securing such bonds.

(3) Prior to the preparation of definitive bonds, the department may, under like restrictions, issue interim receipts or temporary bonds, with or without coupons, exchangable for definitive bonds when such bonds shall have been executed and are available for delivery. The department may also provide for the replacement of any bonds which shall become mutilated or shall be destroyed or lost. Bonds may be issued under the provisions of KRS 177.390 to 177.570 without obtaining the consent of any department, division, commission, board, bureau or agency of the Commonwealth, and without any other proceedings or the happening of any other conditions or things than those proceedings, conditions or things which are specifically required by KRS 177.390 to 177.570.

Section 6. KRS 177.470 is amended and re-enacted to read:

177.470 Bonds not debt of Commonwealth. Revenue bonds issued under the provisions of KRS 177.390 to 177.570 shall not be deemed to constitute a debt of the Commonwealth or of any political subdivision thereof or a pledge of the faith and credit of the Commonwealth or of any such political subdivision, but such bonds shall be payable solely from the funds provided therefor in KRS 177.390 to 177.570. All such revenue bonds shall contain on the face thereof a statement to the effect that the Commonwealth shall not be obligated to pay the same or the interest thereon except from revenues of the project or projects for which they are issued and, if so provided in the proceedings or trust agreement authorizing or providing for the issuance of such bonds, from other available funds pledged to the payment thereof, and that neither the faith and credit nor the taxing power of the Commonwealth is pledged to the payment of the principal of or the interest on such bonds.

Section 7. KRS 177.480 is amended and re-enacted to read:

177.480 Tolls for use of turnpike; contracts for utility and service facilities; disposition of toll revenues; maintenance of turnpike by Highway Department.

(1) The department is hereby authorized to fix, revise, charge and collect tolls for the use of each turnpike project and the different parts or sections thereof, and to contract with any person, partnership, association or corporation desiring the use of any part thereof, including the right-of-way adjoining the paved portion, for placing thereon telephone, telegraph, electric light or power lines, service stations, garages, stores, hotels and restaurants, or for any other purpose

except for tracks for railroad or railway use, and to fix the terms, conditions, rents and rates of charges for such use. A sufficient number of service stations shall be authorized to be established in each service area along any such turnpike to permit reasonable competition by private business in the public interest.

(2) Tolls shall be so fixed and adjusted in respect of the aggregate of tolls from the turnpike project or projects in connection with which the bonds of any issue shall have been issued under the provisions of KRS 177.390 to 177.570 as to provide funds sufficient, with any other available funds, to pay (a) the cost of maintaining, repairing, operating, regulating and policing such turnpike project or projects, unless such cost or any part thereof has been assumed by the department as provided in this section, and (b) the principal of and the interest on such bonds as the same shall become due and payable, and to create reserves for such purposes. Such tolls shall not be subject to supervision or regulation by any other department, commission, board, bureau or agency of the Commonwealth. The tolls and all other revenues derived from the turnpike project or projects in connection with which the bonds of any issue shall have been issued, except such part thereof as may be necessary to pay such cost of maintenance, repair, operation, regulation and policing, and to provide such reserves therefor as may be provided for in the proceedings authorizing the issuance of such bonds or in the trust agreement securing the same, shall be set aside in a sinking fund or funds which are hereby pledged to, and charged with, the payment of the principal of and the interest on such bonds as the same shall become due and the redemption price or the purchase price of bonds retired by call or purchase as therein provided. Such pledge shall be valid and binding from the time when the pledge is made; the tolls or other revenues or other moneys so pledged and thereafter received by the department shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act; and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the department, irrespective of whether such parties have notice thereof. Neither the proceedings nor any trust agreement by which a pledge is created need be filed or recorded except in the records of the department. The use and disposition of moneys to the credit of any such sinking fund shall be subject to the provisions of the proceedings authorizing the issuance of such bonds or of such trust agreement. Except as may otherwise be provided in such proceedings or in such trust agreement, any such sinking fund shall be a fund for all bonds provided to be payable therefrom without distinction or priority of one over another.

(3) Notwithstanding any of the foregoing provisions of this section, the department may, in the proceedings authorizing the issuance of revenue bonds or revenue refunding bonds under the

provisions of KRS 177.390 to 177.570 or in the trust agreement securing such bonds, covenant to pay all or any part of the cost of maintaining, repairing, operating, regulating and policing any project constructed under the provisions of KRS 177.390 to 177.570, and the department may, in such proceedings or trust agreement, covenant to make up all or any part of any deficiency in the fund or funds pledged to and charged with the payment of the principal of and the interest on such bonds from any funds or tax revenues available for general purposes of the department and not required by law to be devoted to some other purpose, and, inasmuch as such project will at all times belong to the Commonwealth, any such covenant will have the force of contract between the Commonwealth and the holders of such revenue bonds or revenue refunding bonds.

(4) Notwithstanding any of the foregoing provisions of this section, the department may, in the proceedings authorizing the issuance of revenue bonds or revenue refunding bonds under the provisions of KRS 177.390 to 177.570 or in the trust agreement securing such bonds, pledge to the payment of such bonds all motor fuel taxes and surtaxes collected by the Commonwealth on gasoline and other motor fuels consumed on any project financed under the provisions of KRS 177.390 to 177.570, except the two-sevenths of said motor fuel taxes provided by KRS 138.220 to be set aside for the construction, reconstruction and maintenance of rural and secondary roads, and covenant to deposit such motor fuel taxes and surtaxes from time to time in the sinking fund or funds pledged to the payment of such bonds. In determining the amount of motor fuel consumed on any turnpike project the department shall divide the total miles travelled on such project by passenger automobiles, single unit trucks, and semi-trailer trucks and buses as determined by the department by the average number of miles per gallon of motor fuel consumed by each of those classes of motor vehicles on the following basis:

Passenger automobiles	15 miles per gallon
Single unit trucks	10 miles per gallon
Semi-trailer trucks and buses	5 miles per gallon

Section 8. KRS 177.520 is amended and re-enacted to read:

177.520 Turnpike bonds valid for purposes of investment or collateral. Bonds issued by the department under the provisions of KRS 177.390 to 177.570 are hereby made securities in which all public officers and public bodies, agencies and instrumentalities of the Commonwealth and its political subdivisions, all insurance companies, trust companies, banking associations, investment companies, executors, administrators, trustees and other fiduciaries, and all other persons whatsoever who are now or may hereafter be authorized to invest in bonds or other obligations of a similar nature may properly and legally invest funds, including capital in their control or belonging to them. Such bonds are hereby made securities which may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the Commonwealth for any purpose for which the deposit of bonds or other obligations of the Commonwealth is now or may hereafter be authorized by law.

Section 9. KRS 177.530 is amended and re-enacted to read:

177.530 Maintenance of turnpike; restoration of private property; donation of property by county or city; annual report of turnpike activities; audits; personnel of Highway Department not to have interest in project; penalty for failure to pay toll; lien on vehicle.

(1) Each turnpike project when constructed and opened to traffic shall be maintained and kept in good condition and repair by the department, and shall be operated and maintained by such force of toll-takers and other operating and maintenance employees and, unless policed by the Kentucky State Police as an ordinary incident to the performance of statutory functions, shall be policed by the department by such force of police, as the department may in its discretion employ, and the department may be reimbursed for the cost thereof unless it has previously assumed such cost as provided in KRS 177.480.

(2) All private property damaged or destroyed in carrying out the powers granted by KRS 177.390 to 177.570 shall be restored or repaired and placed in its original condition as nearly as practicable or adequate compensation made therefor out of funds provided under the authority of KRS 177.390 to 177.570.

(3) All counties, cities, towns and other political subdivisions and all public agencies and commissions of the Commonwealth, notwithstanding any contrary provision of law, are hereby authorized and empowered to lease, lend, grant or convey to the department at its request upon such terms and conditions as the proper authorities of such counties, cities, towns, political subdivisions, agencies or commissions of the Commonwealth may deem reasonable and fair and without the necessity for any advertisement, order of court or other action or formality, other than the regular and formal action of the authorities concerned, any real property which may be necessary or convenient to the effectuation of the authorized purposes of the department, including public roads and other real property already devoted to public use.

(4) On or before January 30 in each year the department shall make an annual report of its activities for the preceding calendar year to the Governor and to the General Assembly. Each such report shall set forth a complete operating and financial statement covering its operations during the year. The department shall cause an audit of its books and accounts to be made at least once in each year by certified public accountants and the cost thereof may be treated as a part of the cost of construction or operation of the project. Such

audits shall be deemed to be public records within the meaning of KRS 12.140.

(5) No officer or employe of the department shall have any interest, direct or indirect, in the sale or purchase of any bonds authorized by KRS 177.390 to 177.570. Violation of this provision shall be punishable by a fine of not more than one thousand dollars or by imprisonment for not more than one year, or both.

(6) Any person who uses any turnpike project and fails or refuses to pay the toll provided therefor shall be punished by a fine of not more than one hundred dollars ($100.00) or by imprisonment for not more than thirty (30) days, or both, and in addition thereto the department shall have a lien upon the vehicle driven by such person for the amount of such toll and may take and retain possession thereof until the amount of such toll and all charges and penalties in connection therewith shall have been paid.

Section 10. KRS 177.550 is amended and re-enacted to read:

177.550 Transfer of turnpike to highway system after retirement of bonds. Except as hereinafter provided in this section, when all bonds issued under KRS 177.390 to 177.570 in connection with any turnpike project or projects and the interest thereon shall have been paid or a sufficient amount for the payment of all such bonds and the interest thereon to the maturity thereof shall have been set aside in trust for the benefit of the bondholders, such project or projects, if then in good condition and repair, shall become part of the state highway system and shall thereafter be maintained by the department free of tolls; provided, however, the department may, in any proceedings or trust agreement authorizing or securing bonds under the provisions of KRS 177.390 to 177.570, provide for combining for financing purposes any two or more turnpike projects theretofore constructed or thereafter to be constructed, and for the reimposition or continuance of tolls on each such turnpike project until all such bonds and the interest thereon shall have been paid or a sufficient amount for such purposes shall have been set aside in trust for the benefit of the bondholders.

Section 11. KRS 177.560 is amended and re-enacted to read:

177.560 Preliminary expenses of turnpike project. The department is hereby authorized in its discretion to expand such moneys as may be necessary for the study of any turnpike project or projects and to use its engineering and other forces and employ consulting engineers and traffic engineers for the purpose of effecting such study, and to pay for such additional engineering and traffic and other expert studies as it may deem expedient. All such expenses incurred by the department prior to the issuance of turnpike revenue bonds under the provisions of KRS 177.390 to 177.570 shall be paid by the department and charged to the appropriate turnpike project or projects, and the department shall keep proper records and accounts showing each amount so charged. Upon the sale of turnpike revenue bonds for any turnpike project or projects, the funds so expended by the department in connection with such project or projects may be reimbursed to the department from the proceeds of such bonds if provision to that effect is made in the proceedings or trust agreement under which such bonds are issued.

Section 12. Declaration of Emergency.

It is hereby determined that the public safety and general welfare urgently require the immediate undertaking of one or more turnpike projects and that unless the department is authorized to proceed at once, a substantial portion of the favorable construction season of 1960 will be dissipated. Accordingly an emergency is hereby declared to exist with reference to KRS 177.390 to 177.570 and this Act shall become effective upon its approval by the Governor.

SB 158, AN ACT relating to the Kentucky Disabled Ex-Service Men's Board.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

KRS 36.065 is amended to read as follows:

(1) There is created a board to be known as the Kentucky Disabled Ex-Service Men's Board, which shall constitute an independent agency of the state government within the meaning of KRS Chapter 12. The board shall be composed of the Adjutant General, who shall act as chairman, and four members appointed by the Governor. The appointed members shall serve for terms of four years and until their successors are appointed and have qualified, except that the members of the first board shall be so appointed that the terms of one member will be for one year, another for two years, another for three years and the other for four years. All appointments to the board, including appointments of successors and appointments to fill vacancies, shall be made by the Governor provided, however, that said appointees shall be veterans with service during time of war or hostilities wherein American troops were engaged in conflict with an armed enemy. Insofar as practicable the Governor, in making appointments to the Board, may give due consideration to a fair representation on the Board of nationally recognized veterans organizations active in Kentucky, based upon the size of their membership in this State. The state headquarters of each such veterans organization may, from time to time, submit a list of not more than three names to the Governor, from which list original appointments may be made and vacancies filled, in his discretion. The members of the board shall receive no compensation for their services, but shall be entitled to reimbursement for their actual and necessary traveling expenses and lodging

incurred in the proper performance of their duties in or out of this state.

(2) The Kentucky Disabled Ex-Service Men's Board shall:

(a) Prepare in proper form, present and prosecute the claims of disabled ex-service men and women and their dependents with the United States Veterans' Administration and other Federal agencies;

(b) Secure and expedite action on the claims;

(c) Keep in contact with the United States Veterans' Administration so that the status of any claim may be known at any time;

(d) Continue to survey the state to make certain that no disabled veteran or his dependents are neglected;

(e) Perform such other duties as the Board considers necessary or desirable in the accomplishment of the purposes for which the Board was created.

(3) The Board shall employ such personnel as shall be needed to carry out the purposes of this Act.

(4) "Veterans" and "ex-service men and women" as used in this section, include any individual who served on active duty during peace or war in the armed forces of the United States and who has received an honorable discharge from such service.

SB 225, AN ACT relating to corporations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. No corporation shall hereafter plead or set up the taking of more than the legal rate of interest, as a defense to any action brought against it to recover damages on, or enforce payment of, or other remedy on, any mortgage, bond, note or other obligation, executed or assumed by such corporation: Provided, that this Act shall not apply to any action which is now pending or to any suit or action instituted subsequent to the effective date of this Act upon any mortgage, bond, note or other obligation executed or assumed by such corporation prior to the effective date of this Act.

Section 2. The provisions of subsection (1) of this section shall not apply to a corporation, the principal asset of which shall be the ownership of a one or two family dwelling.

SB 180, AN ACT repealing section 381.220 of the Kentucky Revised Statutes and substituting the common law rule against perpetuities with certain modifications.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. No interest in real or personal property shall be good unless it must vest, if at all, not later than twenty-one years after some life in being at the creation of the interest. It is the purpose of this section to enact the common law rule against perpetuities, except as hereinafter modified by this Act.

Section 2. In determining whether an interest would violate the rule against perpetuities the period of perpetuities shall be measured by actual rather than possible events; provided, however, the period shall not be measured by any lives whose continuance does not have a casual relationship to the vesting or failure of the interest. Any interest which would violate said rule as thus modified shall be reformed, within the limits of that rule, to approximate most closely the intention of the creator of the interest.

Section 3. A trust created by an employer as part of a stock bonus plan, pension plan, disability or death benefit plan or profit-sharing plan, for the exclusive benefit of some or all of his employes, to which contributions are made by such employer and employes, or both, for the purposes of distributing to such employes the earnings or the principal, or both earnings and principal, of the fund so held in trust, shall not be deemed to be invalid as violating the rule against perpetuities, but such a trust may continue for such time as may be necessary to accomplish the purposes for which it may be created.

Section 4. The estate known at common law as the fee simple determinable and the interest known as the possibility of reverter are abolished. Words which at common law would create a fee simple determinable shall be construed to create a fee simple subject to a right of entry for condition broken. In any case where a person would have a possibility of reverter at common law, he shall have a right of entry.

Section 5. A fee simple subject to a right of entry for condition broken shall become a fee simple absolute if the specified contingency does not occur within thirty years from the effective date of the instrument creating such fee simple subject to a right of entry. If such contingency occurs within said thirty years the right of entry, which may be created in a person other than the person creating the interest or his heirs, shall become exercisable notwithstanding the rule against perpetuities. This section shall not apply to rights of entry created prior to July 1, 1960.

Section 6. (1) Every possibility of reverter and right of entry created prior to July 1, 1960, shall cease to be valid or enforceable at the expiration of thirty years after the effective date of the instrument creating it, unless before July 1, 1965, a declaration of intention to preserve it is filed for record with the county clerk of the county in which the real property is located.

(2) The declaration shall be entitled "Declaration of Intention to Preserve Restrictions on the Use of Land," and shall set forth:

(a) the name of the record owner or owners of the fee in the land against whom the possibility of reverter or right of entry is intended to be preserved;

(b) the names and addresses of the persons intending to preserve the possibility of reverter or right of entry;

(c) a description of the land;

(d) the terms of the restriction;

(e) a reference to the instrument creating the possibility of reverter or right of entry and to the place where such instrument is recorded. The declaration shall be signed by each person named therein as intending to preserve the possibility of reverter or right of entry and shall be acknowledged or proved in the manner required to entitle a conveyance of real property to be recorded. The county clerk shall record the declaration in the record of deeds and shall index it in the general index of deeds in the same manner as if the record owner or owners of the land were the grantor or grantors and the persons intending to preserve the possibility of reverter or right of entry were the grantees in a deed of conveyance. For indexing and recording the clerk shall receive the same fees as are allowed for indexing and recording deeds.

Section 7. Sections 5 and 6 of this Act shall not apply to any possibility of reverter or right of entry contained in a deed, gift or grant from the Commonwealth or any political subdivision thereof; nor shall they apply where both the fee simple determinable and the succeeding interest, or both the fee simple subject to a right of entry and the right of entry, are for public, charitable or religious purposes; nor shall they affect any lease present or future or any easement, right of way, mortgage or trust, or any communication, transmission, or transportation lines, or any public highway, right to take minerals, or charge for support during the life of a person or persons, or any restrictive covenant without right of entry or reverter.

Section 8. Section 381.220 of the Kentucky Revised Statutes is repealed.

Section 9. Except as provided in Section 6, this Act shall apply only to inter vivos instruments and wills taking effect after July 1, 1960, and to appointments made after July 1, 1960, including appointments by inter vivos instrument or will under powers created before July 1, 1960.

SB 168, AN ACT relating to retirement systems for public officers and employes, making an appropriation, and declaring an emergency.

WHEREAS, the State Police Retirement System and the Kentucky Employes Retirement System are already operating under the direction of the same Board of Trustees, and with many of the same employes, and

WHEREAS, an intelligent regard for economy and efficiency of operation would seem to require inclusion of the County Employes Retirement System within the same administrative division, and

WHEREAS, certain other changes have been proposed in each of these systems,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

PART I.

Section 1. KRS 16.540 is amended to read as follows:

Authorized leave of absence shall not be deemed an interruption of creditable service or a cessation of membership. Time while on authorized leave shall be credited as service for purposes of KRS 16.505 to 16.645 as follows:

(1) Credit shall be allowed for leave of absence for educational purposes, whether with or without pay.

(2) Credit shall be allowed for illness not covered under this plan, provided such illness is properly substantiated on request of the employer or board.

(3) Credit shall be allowed for absence from employment, with or without pay, if authorized by the employer and approved by the board.

Section 2. A new section, KRS 16.541, is established to read as follows:

(1) Any person who left the State Police or its predecessor in order to enter the armed forces of the United States and who is re-employed by the State Police after the effective date of the system shall be entitled to have credited as service his period of service in such armed forces, not to exceed six years, provided he applies for reinstatement within three months of discharge, which must be honorable, or within three months of a subsequent termination of any total disability, and, subject to the approval of the State Police Personnel Board, is re-employed, KRS 61.370 to the contrary notwithstanding.

(2) Any person who left the State Police or its predecessor prior to the effective date of the System in order to enter the Armed Forces of the United States, and who was re-employed within one year after his honorable discharge therefrom, or upon the subsequent

termination of any total disability which existed at the expiration of said year after discharge, shall be entitled to have credited as service his period of service in the Armed Forces, not to exceed six years.

Section 3. KRS 16.580 is amended to read as follows:

(1) Total and permanent disability as used in KRS 16.505 to 16.645 shall mean such disability as results in a member's incapacity to engage in any occupation for remuneration or profit, which disability is the result of bodily injury or disease. Loss by severance of both hands at or above the wrists, or both feet at or above the ankle, or one hand above the wrist and one foot at or above the ankle, or the complete, irrecoverable loss of the sight of both eyes shall be considered as total and permanent disability. The "disability ratio" shall be deemed one hundred percent in the case of total and permanent disability.

(2) Partial disability as used in KRS 16.505 to 16.645 shall mean such disability as results in a member's incapacity to continue as an employe of the employer, and which disability has incapacitated such member and is the result of bodily injury or disease. The board shall have full power and exclusive authority to determine the existence of partial disability; it shall establish by appropriate findings utilizing consistent procedures, including services of an examiner, the disability ratio applicable to such disabled member.

(3) Notwithstanding the provisions of subsections (1) and (2), no injury shall be deemed to be disability within the provisions of KRS 16.505 to 16.645 if such injury results directly or indirectly from:

(a) Injury intentionally self-inflicted while sane or insane;

(b) Injury or disease resulting from military service; or

(c) Disease suffered or contracted prior to date of employment as an employe of the employer.

(4) Upon termination of disability a member or retired member eligible for disability benefits under KRS 16.505 to 16.645 shall lose all rights to such benefits that would be paid subsequent to the termination of disability, except as provided in KRS 16.575 (3).

(5) (a) Once each year the board may require any retired member receiving a disability benefit who has not reached age fifty-five to undergo a medical examination by an examiner designated by the board, such examination to be made at a place near the residence of such retired member or such other place as may be mutually agreed upon. If it appears from such medical examination that the disability of said retired member has changed or that his earning capacity has changed since the date disability payments commenced, the board shall revise the retired member's "disability ratio" consistent with such findings and disability benefits to the retired member shall be adjusted beginning with the next benefit payment.

(b) Should any member receiving a retirement allowance by reason of disability refuse to submit to such medical examination, his disability benefits shall be discontinued until he shall actually undergo such medical examination, and should he fail to undergo such medical examination for one year, all his right in and to his disability benefits shall cease. If a retired member has his disability benefit hereunder discontinued prior to age fifty-five and if such member is re-employed by the employer within six months following the date said disability ceases, then his service shall not be deemed to have ceased or been interrupted for purposes of determining benefits upon normal retirement.

(6) Total and permanent disability shall be deemed to cease in event a retired member receiving a benefit by reason of total and permanent disability engages in gainful occupation or work of any sort.

(7) Notwithstanding any provisions of KRS 16.505 to 16.645 to the contrary, no benefit provided in KRS 16.605 or 16.610 shall be reduced as a result of any change in the extent of disability or the disability ratio with respect to any retired member who is age fifty-five or over.

Section 4. KRS 16.600 is amended to read as follows:

In event death of a member occurs as a direct result of an act occurring or a thing done which, as determined by the board, was required in the performance of duty, the member's beneficiary shall receive the following monthly benefit, computed pursuant to the various percentages referred to as "benefit percentages", applicable to the deceased member's monthly rate of creditable compensation at time of death. The benefit shall commence in the month following date of the death of the member and shall be payable to the beneficiary, if living, or to a legally appointed guardian, or the member's estate as the case may be, as directed by the board.

(1) For the surviving beneficiary, a "benefit percentage" of forty-five percent shall be applicable. The resulting benefit shall be payable until the death of the beneficiary, or until seventy-two payments have been paid, whichever occurs first. Benefits cease upon remarriage in the case of beneficiaries who are also surviving spouses of members. Notwithstanding the provisions of this section, if the spouse is beneficiary and remains unmarried, said benefit shall be continued for as long a time as there is at least one dependent child. Upon the death of the surviving beneficiary, if there is then at least one dependent child, the board shall direct that the benefit otherwise payable for the beneficiary, together with all other income from the system by reason of dependent children, shall be continued to a legally appointed guardian, or such other person, persons, or organization entitled to such income in the opinion of the board by

reason of carrying out the responsibilities of the orphaned dependent children.

(2) In the period of time following a member's death during which time dependent children survive, an additional "benefit percentage" shall be applicable. The amount of such additional "benefit percentage" applicable at the time any particular payment is due shall depend on the number of dependent children then alive, unmarried and under age 18 and shall be computed as the sum of (a) and (b) as follows:

(a) 10%

(b) 5% times the then number of such dependent children.

Provided, however, the "benefit percentage" so computed shall not exceed 30% with respect to this paragraph (2).

Section 5. KRS 16.605 is amended to read as follows:

In event disability as provided in KRS 16.580 occurs as a direct result of any act occurring or a thing done which, as determined by the board, was required in the performance of duty, the member shall retire on his disability retirement date and be eligible to receive a benefit equal to the product of the "disability ratio," as provided in KRS 16.580, and the amount determined according to subsections (1) and (2) of this section. The income shall commence in the month of the disability retirement date and will be payable to the retired member.

(1) For the disabled member, forty-five percent of the member's monthly rate of creditable compensation in effect at the time of the occurrence leading to disability shall be payable until death;

(2) In the period of time following said member's disability retirement date, during which time dependent children survive, an additional "benefit percentage" shall be applicable. The amount of such additional "benefit percentage" applicable at the time any particular payment is due shall depend on the number of dependent children then alive, unmarried and under age 18 and shall be computed as the sum of (a) and (b) as follows:

(a) 10%

(b) 5% times the then number of such dependent children.

Provided, however, the "benefit percentage" so computed shall not exceed 30%.

Upon the death of the retired member, a death benefit shall be payable to the surviving beneficiary, computed as if the member had died in line of duty and received a benefit in accordance with the provisions of KRS 16.600. All members now retired because of disability shall have their retirement allowance recomputed in accordance with KRS 16.605 as amended.

Section 6. KRS 16.610 is hereby repealed.

Section 7. KRS 16.620 is amended to read as follows:

In event of partial or total and permanent disability not a direct result of performing an act or doing anything required in the performance of duties, the member shall be eligible to receive a lump sum payment equal to his accumulated contributions determined on the date of cessation of membership. However, if such disability occurs after 10 years of service and is total and permanent, the member may elect to retire after his last day of service and to receive an annual retirement allowance payable monthly for life computed as the product of (a) and (b) as follows:

(a) ½% of the first $1,320 of final compensation, plus 1% of the next $2,880 of final compensation, plus 1¼% of any excess over $4,200 of final compensation.

(b) Length of service;

except that the annual allowance otherwise payable shall not be less than $480.

Section 8. KRS 16.640 is amended to read as follows:

The government and control of the system is hereby vested in the Board of Trustees of the Kentucky Employes Retirement System. The Board shall carry out the provisions of KRS 16.505 to 16.645 in the same manner in which it administers the Kentucky Employes Retirement System. In all matters concerning the administration of KRS 16.505 to 16.645, the same rights, duties, and obligations shall apply to the Board, as now apply under the provisions of KRS 61.510 to 61.700, except that members of the Board, when acting for the Kentucky State Police Retirement System, shall be limited to a per diem of ten dollars plus actual expenses.

PART II.

Section 1. Subsections (3), (5), (6), (10), (11), (14) and (16) of KRS 61.510 are amended to read as follows:

(3) "Department" means any State Department or Board or Agency participating in the system in accordance with appropriate executive order, as provided in KRS 61.520. For purposes of this act, the General Assembly, officers and employes thereof shall be deemed to be a department;

(5) "Employe" means every person regularly employed in rendering service to and for a department and whose compensation is payable in whole or in part by such department. The term shall include all full-time, regular employes of the board and employes of the Department of Military Affairs whose compensation is paid wholly or in part by the federal government. If authorized by executive order as required by KRS 61.520, the term shall also include members and all regular constitutional officers and employes of the

General Assembly. In case of any doubt, the board shall determine if a person is an employe within the meaning of KRS 61.510 to 61.700;

(6) "Employer" means a department or any authority of such department having the power to appoint or select an employe in such department, including the Senate and the House of Representatives;

(10) "Current service" means the number of years and completed months, expressed as a fraction of a year, of employment as an employe, on and after July 1, 1956 (except that for members of the General Assembly, officers and employes thereof, this date shall be January 1, 1960) for which compensation is paid by the employer during which employment the employe is a member of the system, except as otherwise provided in KRS 61.620;

(11) "Prior service" means the number of years and completed months, expressed as a fraction of a year, of employment as an employe, prior to July 1, 1956, for which compensation was paid by the employer; except that, for the General Assembly officers and employes thereof, "Prior service" means the number of years and completed months, expressed as a fraction of a year, of employment as an employe, prior to January 1, 1960, for which compensation was paid by the employer;

(14) "Creditable compensation" means the compensation to an employe, arising from funds disbursed by the State Treasurer, or, with respect to employes of the Department of Military Affairs, arising from funds disbursed either by the State Treasurer or by the federal government, working the full working time for his position; provided, however, that in the case of members and officers of the General Assembly, all compensation received during a legislative biennium shall be calculated as having been received in equal amounts for each month of the biennium, but only if said member, or officer shall continue in said capacity for the entire biennium. In cases where compensation includes maintenance and other perquisites, the Board shall fix the value of that part of the compensation not paid in money;

(16) "Retirement allowance" means the retirement payments to which a member is entitled. Any person receiving a retirement allowance on the effective date of this Act as amended who has been a member, officer, or employe of the General Assembly, shall be entitled to have his allowance recomputed upon application but within 90 days following such effective date. Any such person who has left the state service before the effective date of this Act without receiving a retirement allowance, but who would have been eligible to receive such an allowance under the provisions of this Act as amended, shall be entitled to such allowance if he shall not have withdrawn his accumulated contributions, or, if he has withdrawn them, if he re-deposits them with the System, together with interest

at a rate determined by the Board, within 90 days following the effective date of this Act as amended.

Section 2. KRS 61.520 is amended to read as follows:

(1) Each department will participate in the system when the Governor by appropriate executive order, the authority to issue such executive order being hereby granted, permits such department to participate in the system. The effective date of such participation shall be the July 1 coinciding with or next following the signing of such executive order, except that the effective date of participation with respect to members of the General Assembly and the officers and employes thereof shall be fixed by the Governor in his executive order.

(2) Once a department participates it shall thereafter continue to participate.

Section 3. KRS 61.525 is amended to read as follows:

Membership in the system shall consist of the following:

(1) All persons who become employes of a participating department after the date such department first participates in the system; and

(2) All persons who are employes of a department on the date the department first participates in the system, either in service or on authorized leave from service, and who elect within 6 months following such department's participation, or in the case of persons on authorized leave, within 6 months of their return to active service, to become members and thereby agree to make contributions as provided in KRS 61.510 to 61.700.

Section 4. KRS 61.535 is amended to read as follows:

The membership of any person in the system shall cease:

(1) Upon withdrawal of his accumulated contributions at or any time after termination of employment, regardless of length of service; provided, however, that any person with more than five years of service whose employment has previously been terminated without prejudice, and who is re-employed before July 1, 1961, may re-contribute his previously withdrawn accumulated contributions, together with interest at a rate determined by the Board, and receive credit for all prior service and the current service for which the accumulated contributions are being re-contributed; providing such re-contribution is made within 6 months following re-employment or the effective date of this Act, whichever occurs later.

(2) Upon termination of employment, unless at such termination of employment the member has had at least ten years of service (except as modified by subsection (1) herein); provided, however, that any person having more than ten years of service but less than twenty years shall cease to be a member after the expiration of

eight years from termination of employment if not re-employed by that time;

(3) Upon service retirement;

(4) Upon death;

(5) Upon termination of employment with prejudice after twenty years of service;

(6) For purposes of KRS 61.510 to 61.700, termination of employment with prejudice shall mean termination as the result of conviction of the member in a court of competent jurisdiction of embezzlement or larceny of public funds or property or malfeasance in office, or the forcing of a member to make restitution for any funds or property criminally taken by said member at the time of termination of employment.

Section 5. KRS 61.557 is amended to read as follows:

Inasmuch as the take-over of the Kentucky State Employment Service by the federal government, through its U. S. Employment Service and War Manpower Commission, was recognized by both federal and state governments as a temporary measure during the war emergency, and the said Employment Service was, in fact, returned to the state government at the close of the emergency period, the employes of said service are recognized as employes of the Commonwealth for the purposes of this Act during the period of control by the federal government, just the same as if they had been employed in another department of the government of the Commonwealth during that period.

Section 6. KRS 61.560 is amended to read as follows:

(1) (a) Each member shall, commencing on the date he becomes a member, contribute for each pay period for which he receives compensation two and three-fourths percent of his creditable compensation if his rate of annual compensation does not exceed $4,200. If such member's rate of annual compensation exceeds $4,200, he shall contribute two and three-fourths percent of that portion of his creditable compensation not in excess of the equivalent applicable rate for such pay period to annual compensation of $4,200 and four percent of that portion of his creditable compensation which is in excess of such rate applicable to annual compensation of $4,200.

(b) Each employe of a department on the date of the department first participates in the system who elects to become a member within six months subsequent to such date shall make contributions which he would have made if he had elected to become a member as of the date such department first participated.

(2) The Commissioner of Finance shall cause to be deducted from the salary or compensation of each member whose compensation

is paid by the state, for each and every payroll period subsequent to the date of establishment of the system, and the Adjutant General shall collect from each member in the Department of Military Affairs, whose compensation is paid wholly or in part by the federal government at the time of payment, the contribution payable by each such member as provided in KRS 61.510 to 61.700, but in no case shall any deduction be made from the compensation of a member after his normal retirement date if such member elects not to contribute.

(3) In determining the creditable compensation of a member in a payroll period, the board may consider the rate of compensation payable to such member on the first day of the payroll period as continuing throughout such payroll period, and, to facilitate the making of deductions, may allow the omission of deductions from any fractional amount less than one dollar from any member in any period and may allow the omission of deductions from compensation for any period less than a full payroll period if any employe was not a member on the first day of the payroll period.

(4) The deductions provided for herein shall be made notwithstanding that the minimum compensation provided by law for any member shall be reduced thereby. Every member shall be deemed to consent and agree to the deductions made as provided herein; and payment of salary or compensation less such deductions shall be a full and complete discharge of all claims for services rendered by such person during the period covered by such payment, except as to any benefits provided by KRS 61.510 to 61.700.

(5) Notwithstanding any other provisions of this section, no deduction shall be made from any member's compensation if the employer's contribution required hereunder is in default.

Section 7. KRS 61.595 is amended to read as follows:

(1) Upon service retirement at normal retirement date, or subsequent thereto, a member shall receive an annual retirement allowance, payable monthly during his lifetime, which shall consist of an amount equal to one-half percent of the first $1,320 of final compensation multiplied by the number of years of service, plus one percent of the next $2,880 of final compensation multiplied by the number of years of service, plus one and one-fourth percent of final compensation in excess of $4,200 multiplied by the number of years of service; except that the amount of such annual retirement allowance shall not be less than $480.

(2) Upon service retirement prior to normal retirement date, a member shall receive an annual retirement allowance payable monthly during his lifetime which shall be determined in the same manner as for retirement at his normal retirement date with years of service and final compensation being determined as of the date of his actual retirement, but the amount of the retirement allowance so determined shall be reduced by five-twelfths percent for each 30 days that the

actual retirement date precedes the normal retirement date; and the determination made pursuant to this subsection shall not take into account the minimum allowance provided in subsection (1).

(3) All persons retired under this section shall be entitled to have their benefits recomputed on July 1, 1960, in accordance with the formula then in effect.

Section 8. KRS 61.600 is amended to read as follows:

Any member in service who has ten or more years of service may, at any time before his normal retirement date, retire on account of disability upon written notification to the board, made by the member or his employer, setting forth at what time the retirement is to become effective; provided that such effective date shall be after the last day of service but shall not be more than ninety days prior to the filing of such notice; and provided further that the examiner, after a medical examination of such member, shall certify that such member is, and has been continuously since such effective date, if prior to the filing of such notice, mentally or physically incapacitated for the further performance of duty and that such incapacity is likely to be permanent and that such member shall be retired.

Section 9. KRS 61.605 is amended to read as follows:

Upon disability retirement, a member shall receive an annual retirement allowance payable monthly during his lifetime which shall be determined in the same manner as for retirement at his normal retirement date with years of service and final compensation being determined as of the date of his disability except that the amount of such annual retirement allowance shall not be less than $480.00. All members now retired because of disability shall have their retirement allowance recomputed in accordance with 61.605 as amended.

Section 10. KRS 61.625 is amended to read as follows:

If a member has ceased to be an employe other than by death or by retirement under the provisions of KRS 61.510 to 61.700, he shall be paid, on demand, but not later than ninety days thereafter, the amount of his accumulated contributions reduced by the amount of any retirement allowances previously received by him under any of the provisions of KRS 61.510 to 61.700.

Section 11. KRS 61.630 is amended to read as follows:

Should a member die at any time after retirement but before receiving total retirement allowances provided in KRS 61.510 to 61.700 at least equal to his accumulated contributions as of the date of his retirement, the difference between such accumulated contributions and such total allowances shall then be payable in a lump sum to the properly designated beneficiary, if then living; otherwise, to the estate of the deceased member, unless the retirement allowance is then being paid in accordance with any of the options contained in KRS 61.635 or 61.640.

Section 12. KRS 61.635 is amended to read as follows:

(1) Each member shall have the right, with respect to paragraphs (a), (b), (c) herein, to elect to have his retirement allowance payable under any one of the options set forth in this section in lieu of the retirement allowance otherwise payable to him upon retirement under any of these provisions of KRS 61.510 to 61.700. The amount of any such optional retirement allowance shall be actuarially equivalent to the amount of retirement allowance otherwise payable to him; except, however, in the case of a member retiring after his normal retirement date, any such optional retirement allowance shall not be less than it would be if the member were then retiring on his normal retirement date. At least 30 days prior to the date payment of any retirement allowance or optional allowance is to commence, the member shall make such an election by written request to the Board and such election shall be subject to the approval of the Board.

(a) A member may elect to receive an increased retirement allowance in lieu of any death benefits as provided in KRS 61.630.

(b) The member may elect to receive a decreased retirement allowance during his lifetime and have such retirement allowance, or one-half thereof if so designated, continued after his death to another person during the lifetime of such person. In case of such an election death benefits that might otherwise be provided under KRS 61.630 shall not be payable upon the death of the member. This option may not be elected by a member if the social security option of paragraph (c) herein has previously been elected.

(c) If a member retires prior to his sixty-fifth birthday, he may elect to receive an increased retirement allowance up to the date he commences to receive his primary insurance benefits under Federal Social Security and a decreased retirement allowance thereafter, thereby providing a more nearly level retirement allowance when such decreased retirement allowance is added to his anticipated primary benefits under the Federal Social Security Act. The election of this option shall automatically revoke any previous election under the joint and last survivor option of paragraph (b) herein.

(2) The election by a member of any one of the options stated in this section shall be null and void if the member dies prior to retirement, and the election by a member of option (b) shall be effective only if the beneficiary is living at the effective date of the member's retirement.

(3) A member who has elected any one of the options stated in this section may, at any time prior to the later of the effective date

of the member's retirement or the date of written notification to the board of retirement of the member, revoke such an election by written notification to the board.

(4) If any service or disability retirement allowance provided in KRS 61.590 through 61.640 is less than $20.00 a month, the board may at its discretion pay the actuarial equivalent of such allowance in any other manner agreed on by the member and the board.

Section 13. KRS 61.640 is amended to read as follows:

Should a member die at any time before retirement, the amount of his accumulated contributions, reduced by the amount of any retirement allowance previously received by him under any of the provisions of KRS 61.510 to 61.700, shall be payable in a lump sum to the properly designated beneficiary, if then living; otherwise, to the estate of the deceased member; provided, however, that if the member is in service at time of death and is eligible to retire on benefits payable as provided in KRS 61.590 (1) and (2), and has on file with the board at the time of his death a written designation of beneficiary, then said beneficiary shall receive an annual benefit payable monthly which shall be equal in amount to the benefit that would have been paid had the member retired immediately prior to his date of death and elected option (b) (100%) as provided in KRS 61.635 so that the retirement allowance (not one-half thereof) shall be continued during the lifetime of the beneficiary. Nomination of beneficiary may be changed by the member at any time prior to retirement by written designation signed by a member in such manner and on such forms as shall be required by the board. Such change shall be effective on the day such designation is received by the board.

Section 14. KRS 61.645 is amended to read as follows:

(1) On the first day of the month following the effective date of this Act, the terms of the members of the Board of Trustees then in office shall cease and determine. Thereafter the system shall be administered by a Board of Trustees consisting of the Commissioners of Finance, Economic Security and Personnel, and the Director of the Division of State Police, and five citizens appointed by the Governor, at least one of whom shall have been at one time a county officer or employe. The terms of the citizen members shall be four years, and they may be removed only for good cause shown and entered upon the Executive Order Book; provided, however, that the terms of the members initially appointed under this Act shall be one for one year, one for two years, one for three years, and two for four years; and provided further that the initial appointments made under this Act shall include one person who shall have been a member of the Board of Trustees of the Kentucky Employes Retirement System prior to its reorganization under this Act, and one person who shall have been a member of the Board of Trustees of the County Employes Retirement System prior to its reorganization under this Act.

(2) Board members who do not otherwise receive a salary from the State Treasury shall receive a per diem of $25 for each day they are in session or on official duty, and they shall be reimbursed for their actual and necessary expenses in accordance with normal state regulations and standards.

(3) The Board shall meet at least once in each quarter of the year, and may meet in special session upon the call of the Chairman. It shall elect a Chairman and a Vice-Chairman. A majority of the members shall constitute a quorum, and all actions taken by the Board shall be by affirmative vote of a majority of the entire Board. All vacancies on said Board shall be filled by appointment for unexpired terms by the Governor.

(4) The Board shall:

(a) Appoint an executive secretary, who shall be the secretary and the administrative officer of the board;

(b) Appoint such other employes as it deems necessary and fix the compensation for all employes of the board;

(c) Require such employes as it thinks proper to execute bonds for the faithful performance of their duties;

(d) Establish a system of accounting;

(e) Do all things, take all actions and make all rules and regulations, not inconsistent with the provisions of KRS 61.510 to 61.700, that it deems necessary or proper in order to carry out the provisions of KRS 61.510 to 61.700; provided that the Governor, by Executive Order, for administrative convenience and economy may transfer the administrative functions of the board to any departments or agencies of state government.

(5) All employes of said board shall serve during its will and pleasure.

(6) The Attorney General, or an assistant designated by him, shall act as legal adviser and attorney for the board.

(7) The board shall prepare and publish an annual financial report showing all receipts, disbursements, assets and liabilities. All its proceedings and records shall be open for inspection by the public.

(8) All expenses incurred by or on behalf of the board in the administration of the system during a fiscal year shall be paid from the retirement allowance account. The expenses incurred by the board in the administration of the system during any fiscal year shall not exceed $10,000, or two percent of the total employer and member contributions during such fiscal year, whichever is the larger.

Section 15. KRS 61.650 is amended to read as follows:

(1) The board shall be the trustee of the several funds created by KRS 61.510 to 61.700 and shall have full power to invest and re-invest such funds, subject to the limitations that no investment shall be made except upon the exercise of bona fide discretion, in securities which, at the time of making the investment, are, by law, permitted

for the investment of funds by fiduciaries in this State. Subject to such limitations, the board shall have full power to hold, purchase, sell, assign, transfer or dispose of, any of the securities or investments in which any of the funds created herein have been invested, as well as of the proceeds of such investments and any monies belonging to such funds.

(2) It is declared to be the policy of the Commonwealth to promote the mutual investment of the funds of the three retirement systems to be administered under this Board of Trustees, and also, where practicable, to encourage the retention of capital funds within this State and region. In furtherance of this policy the Board of Trustees is empowered to establish, either with or without the cooperation of other public retirement systems, such organizations (corporate, trust, or otherwise) as may be desirable to secure the mutual investment of the funds of the three systems under its control, and such other public systems as may wish to join, and to promote the policies herein described.

Section 16. KRS 61.680 is amended to read as follows:

(1) Every member shall be deemed to consent and agree to any deduction from his compensation required by KRS 61.510 to 61.700 and to all other provisions thereof.

(2) Notwithstanding the provisions of subsection (1) hereof, the Board of Trustees is authorized to exempt, under regulations promulgated by it, those persons entering service of a participating department with more than five years of service credit in either the County Employes Retirement System or the Teachers Retirement System who desire to remain with the system in which their service originated and who are permitted by that system so to continue. Authority for reciprocal arrangements among these three systems is recognized.

Section 17. In order to pay the employer's contribution necessitated by the inclusion in the System of members, officers and employes of the General Assembly, as provided herein, there is hereby appropriated out of funds in the State Treasury otherwise unappropriated, and in addition to the funds normally available, to the Board of Trustees of the Kentucky Employes Retirement System the following amount:

1961-1962	$15,000

PART III.

Section 1. Subsection (3) of KRS 78.510 is amended to read as follows:

(3) "County" means any county participating in the system in accordance with appropriate executive order, as provided in KRS 78.530, or any joint city-county agency acting as an independent entity or other independent municipal corporation except cities, by order

appropriate to its governmental structure and provided the Board is willing to accept such agency or corporation.

Section 2. KRS 78.780 is amended to read as follows:

(1) On the first day of the month following the effective date of this Act, the terms of the members of the Board of Trustees then in office shall cease and determine. Thereafter the government and control of the system is vested in the Board of Trustees of the Kentucky Employes Retirement System. The Board shall carry out the provisions of KRS 78.510 to 78.991 in the same manner in which it administers the Kentucky Employes Retirement System. In all matters concerning the administration of KRS 78.510 to 78.991, the same rights, duties, and obligations shall apply to the Board as now apply under the provisions of KRS 61.510 to 61.700, except that members of the Board, when acting for the County Employes Retirement System, shall be limited to a per diem of ten dollars, plus actual expenses.

(2) Expenses incurred by or on behalf of the Board in the administration of the system during the fiscal year shall be paid from the retirement allowance account. The expenses incurred by the Board payable out of the retirement allowance account in the administration of the system during any fiscal year shall not exceed $20,000, or two percent of the total employer and member contributions during such fiscal year, whichever is the larger. Nothing herein shall be construed as limiting appropriations which may be made to the system from other sources.

Section 3. KRS 78.790 is amended to read as follows:

The Board shall be the trustee of the several funds created by KRS 78.510 to 78.880, and shall have full power to invest and re-invest such funds subject only to the same limitations placed upon the Board with regard to the funds of the Kentucky Employes Retirement System, as set forth in KRS 61.650, as amended.

Section 4. In order for proper actuarial studies to be made of the system, and for other expenses incident to the proper and sound establishment of the system, there is hereby appropriated out of funds in the State Treasury otherwise unappropriated, and in addition to the funds normally available, to the Board of Trustees of the County Employes Retirement System, the following amounts:

1960-61	$15,000
1961-62	$10,000.

PART IV.

Section 1. Part I, Sections 1 through 7, and Part II, Sections 6 and 7, shall become effective on July 1,1960.

Section 2. Inasmuch as the efficiency of the County Employes Retirement System will be promoted by its inclusion in the administrative establishment of the other two retirement systems, and the Kentucky State Police Retirement System and the Kentucky Employes Retirement System will also be benefited thereby, an emergency is declared to exist, and this Act shall become effective upon its passage by the General Assembly and approval by the Governor.

SB 165, AN ACT relating to the administration of unemployment insurance, and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 341.110 of the Kentucky Revised Statutes is amended to read as follows:

(1) In the Department of Economic Security there shall be an Unemployment Insurance Commission composed of the Commissioner of Economic Security and two associate commissioners appointed by the Governor.

(2) The Commissioner shall represent the state and the public and shall be chairman of the Commission. One associate commissioner shall be appointed as a representative of labor and one as a representative of employers. The chairman and one other member of the Commission shall constitute a quorum.

(3) The associate commissioners shall be appointed on the basis of their merit and fitness to perform their duties and exercise the responsibilities of their offices. They shall be citizens of this state and not less than thirty years of age.

(4) The terms of each associate commissioner shall be for four years from the date of appointment and until a successor is appointed and qualified, except that appointments to vacancies shall be for the unexpired term.

(5) The compensation of the associate commissioners shall be $4,800 per annum.

Section 2. Section 341.310 of the Kentucky Revised Statutes is amended to read as follows:

(1) A lien on a parity with state, county, and municipal ad valorem tax liens, and superior to the lien of any mortgage or other encumbrance heretofore or hereafter created is hereby created in favor of the Division upon all property of any subject employer from whom contributions, interest or penalties are or may hereafter become due. This lien shall be for a sum equal to the amount at any time due from each subject employer to the Division on account of contributions, interest and penalties thereon. The lien shall commence from such time as the contributions, interest or penalties become due.

(2) The Commissioner may file notice of this lien with the county court clerk of any county where the subject employer has property,

giving the name of the subject employer, his address, and the amount of the lien. The clerk shall file same in the same manner as lis pendens are filed. The files shall be designated "Miscellaneous State Tax Liens." The notice, when so filed, shall be conclusive notice to all persons of the lien on the property having legal situs in that county, except that nothing in this chapter shall be construed to alter or change in any way the law relative to the rights and duties of a holder in due course as provided in KRS Chapter 356, or affect the rights of any person taking the property or a lien thereon for value without actual or constructive notice. The clerk shall be entitled to a fee of $1.25 for filing the lien, and said fee shall become a part of the lien as an added cost of the delinquent subject employer to be paid by him as a part of the amount necessary to release the lien, and in no event shall the Commonwealth, the Department or the Division be required to pay same.

(3) In addition and as an alternative to any other remedy, the Commissioner may enforce the lien by petition in the name of this state to the circuit court of Franklin County, if the ministerial acts necessary to enforce the lien by the sale of the liened property or any part of it are performed by the appropriate officers of the circuit court of the county in which the property is situated under the direction of and reporting to the Franklin Circuit Court. The manner of enforcement shall be the same as that provided for the enforcement of other tax liens.

(4) (a) The Commissioner may issue a certificate of release of lien upon the furnishing of a corporate surety bond satisfactory to the Commissioner by such employing unit in the amount of one hundred and twenty-five (125) percent of the sum of such contributions, interest and penalty, for which lien is claimed, conditioned upon the prompt payment of such contribution, together with interest and penalty thereon, by such employing unit to the Division in accordance with the provisions set forth in such bond.

(b) The Commissioner may issue a certificate of partial release of any part of the property subject to the lien if he finds that the fair market value of that part of such property remaining subject to the lien is at least equal to the amount of all other liens upon such property plus double the amount of the liability for contributions, interest and penalties thereon remaining unsatisfied.

(c) The Commissioner may issue a certificate of partial release of any part of the property or individual piece of property subject to the lien if he finds that the interest of the Commonwealth in the property to be so released has no value.

Section 3. Whereas there is no statutory authority whereby liens which are of no value to the Commonwealth may now be released, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

Committee on Rules reported **HB 497** with the expression of opinion that the same should pass with Committee Substitute. Read at length for the first time and ordered placed in the Calendar.

HB 497, AN ACT relating to motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 186.055 of the Kentucky Revised Statutes is amended to read as follows:

(1) All motor vehicles registered under subsection (3) of KRS 186.050, except motor vehicles taxed under KRS 281.810, wherein the gross weight exceeds 18,000 pounds, shall pay an additional fee as follows:

Declared Gross Weight	Weight Fee
18,001-21,000	$ 67.00
21,001-24,000	84.00
24,001-27,000	97.00
27,001-30,000	113.00
30,001-33,000	130.00
33,001-36,000	148.00
36,001-39,000	170.00
39,001-59,640	325.00
59,641-73,280	500.00

(2) The clerk shall issue a weight plate furnished by the Department and shall be paid for this service the sum of twenty-five cents.

(3) The clerk shall not register any common or contract carrier motor vehicle or U-Drive-It vehicle until the owner has presented in duplicate to the clerk a receipt from the Department of Motor Transportation showing that the weight tax has been paid as provided for under KRS 281.810. A copy of this receipt shall be retained by the clerk and the other copy forwarded to the Department together with the Department's copy of the registration receipt issued by the clerk.

(4) In order to permit licensing of motor vehicles under this section for weights in excess of 59,640 pounds during the period from July 1, 1960, to December 31, 1960, the clerk shall license such vehicles for an additional fee equal to one-half the difference between the fee previously paid for the current licensing year and the maximum fee provided herein.

Section 2. 189.222 of the Kentucky Revised Statutes is amended to read as follows:

The Commissioner of Highways in respect to highways which are a part of the state-maintained system, by official order, may increase on designated highways or portions thereof, the maximum height, length and gross weight prescribed in KRS 189.221, if in the opinion of said commissioner, the increased height, length and weight designated by him are justified by the strength, safety and durability of the designated highways, and said highways do not appear susceptible to unreasonable and unusual damage by reason of such increases; and said commissioner is authorized to establish reasonable classifications of such roads and to fix a different maximum for each classification. However, in no event shall any motor truck or tractor semi-trailer combination, including any part of the body or load, exceed the following dimensions and weights:

(1) Height, 13½ feet;

(2) Length, truck tractors and semi-trailers, 50 feet; motor trucks, 35 feet;

(3) Weight, 18,000 pounds per single axle, with axles less than 42 inches apart to be considered as a single axle; 32,000 pounds on two axles in tandem arrangement which are spaced 42 inches or more apart and less than 120 inches apart; 600 pounds per inch of aggregate width of all tires; gross weight, 73,280 pounds;

(4) A tolerance of not more than five percent per axle load shall be permitted before a carrier is deemed to have violated subsection (3) of this section. In no event shall the gross weight exceed 73,280 pounds.

Section 3. Section 281.810 of the Kentucky Revised Statutes is amended to read as follows:

(1) On or before January 1 of each year and as a condition precedent to the use of the highways, every motor carrier operating motor vehicles primarily engaged in the transportation of property for hire or operated under a U-Drive-It permit shall pay to the Department of Motor Transportation for the privilege of using the highways an annual excise tax upon each motor vehicle so used based on the declared gross weight of the motor vehicle as set out in KRS 186.030, in addition to the basic registration fee set out in KRS 186.050, and in lieu of the taxes imposed by KRS 186.055 as follows:

Gross Weight	Fee
0- 5000	$ 22.00
5001- 8000	30.00
8001-10000	48.00
10001-12000	52.00
12001-14000	57.00
14001-16000	62.00
16001-18000	70.00
18001-21000	101.00
21001-24000	132.00
24001-27000	161.00
27001-30000	185.00
30001-33000	208.00
33001-36000	235.00
36001-39000	272.00
39001-59640	325.00
59641-73280	500.00

(2) The tax shall be increased fifty percent on each motor vehicle not equipped wholly with pneumatic tires.

(3) On or before January 1 of each year and as a condition precedent to the use of the highways, every motor carrier engaged in the driveaway business shall pay an annual license fee of two hundred fifty dollars which shall be in lieu of the weight tax set out in subsection (1) of this section.

(4) In order to permit licensing of motor vehicles under this section for weights in excess of 59,640 pounds during the period from July 1, 1960 to December 31, 1960 the department shall license such vehicles for an additional fee equal to one-half the difference between the fee previously paid for the current licensing year and the maximum fee provided herein.

Section 4. (1) Section 281.814 of the Kentucky Revised Statutes is repealed as of January 1, 1961, but this section shall not be construed to alter or amend any provision effective until that date.

(2) Section 281.813 is repealed effective July 1, 1960, provided, however, that no additional fees for the current licensing year shall be imposed on motor vehicles previously licensed thereunder for the current year unless the owner thereof seeks to take advantage of subsection (4) of Section 3 of this Act.

Section 5. The provisions of Section 1, 2 and 3 of this Act shall become effective July 1, 1960, except that any motor vehicle licensed for a declared gross weight of 59,640 pounds or less for the calendar year 1960 shall not be required to pay the additional fees prescribed by this Act prior to January 1, 1961.

Committee on Rules reported **SB 195, HB 506, HB 391, SB 148, SB 36, HB 201, SB 200, HB 385, HB 502, SB 84, HB 282, HB 327, HB 503, SB 163, HB 412, HB 474, HB 511, HB 143, SB 124**, and **SR 30** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 195, AN ACT relating to the Kentucky Historical Society.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of the Kentucky Revised Statutes is created to read as follows:

The Kentucky Historical Society created by 1880, c. 244, shall have all the powers and liabilities of a corporation and there is hereby granted to the Society the following Charter:

I

The Kentucky Historical Society shall collect, maintain and preserve authentic records, information, facts and relics connected with the history of the Commonwealth and the genealogy of her peoples;

and promote a wider appreciation of the American heritage, with particular emphasis on the advancement and dissemination of knowledge of the history of Kentucky. The Society may receive and hold by donation or devise, real or personal property to any extent and may, by gift, loan, purchase or otherwise hold books, papers, documents, historical memorials, and any other articles suited to promote the objects of the Society in the Old State Capitol Building but all such property shall be held in trust for the Commonwealth of Kentucky according to the terms of acceptance.

II

All American citizens, partnerships, corporations or associations who shall evidence their dedication to the promotion of the objects and purposes of the Society may become active members thereof upon their approval by the Executive Committee, and the payment of annual dues in a sum determined by the Executive Committee. Any person possessing the qualifications for membership may become a life member on the payment of a sum ten times the amount of the annual dues. Every member in good standing, including the authorized representative of an institutional member, shall have the right to vote in person or by proxy, hold office, and otherwise take part in the proceedings of the Society. Membership may be terminated by resignation or non-payment of dues.

III

The officers of the Society shall consist of members of the Executive Committee, a President, First, Second and Third Vice-Presidents, Director, Editor, Comptroller, Curator, Librarian and such Assistants and other officers as the Executive Committee may provide for. All officers except members of the Executive Committee shall be elected for a term of one year at the annual meeting of the Society in a manner provided by law, and the President shall be ineligible to succeed himself.

IV

There is hereby created the Board of Curators of the Society, referred to herein as the Board, which shall consist of thirty-nine members. It shall be composed of the Governor of the Commonwealth, who shall be Chancellor, the Director of the Society and the Director of State Archives and Records, eighteen members of the Society appointed by the Executive Committee and a like number appointed by the Governor. The Board shall be divided into four equal classes, so arranged that the term of one class shall expire at each annual meeting of the Society.

The Board shall perform, in addition to the duties imposed upon it by law, such duties as the Society may from time to time prescribe and the Board shall consider and make recommendations to the Executive Committee in such matters as the Board may deem calculated to promote and advance the best interests of the Society and the purposes for which it was formed and it shall adopt by-laws to facilitate its functions.

V

The Board shall meet in the City of Frankfort not less than four times during each calendar year but it may hold special meetings in any other location when the work of the Board would be facilitated thereby. All meetings shall be called by the Director when requested by the Chancellor, the President or any four members of the Board.

VI

The Board shall endeavor at all times to promote the historical interest of the Commonwealth of Kentucky, counsel and advise the Executive Committee and Officers of the Society in the conduct in the operation of the business and programs calculated to promote the best interest of the Commonwealth and its citizens. It shall make an annual report to the Society on the approval of the Chancellor, concerning all significant actions of the Board, the condition of the Society and its work, and such recommendation as may seem appropriate.

VII

There is hereby created an Executive Committee which shall consist of sixteen members, in addition to the Director of State Archives and Records. The Executive Committee shall be divided into four equal classes, so arranged that the terms of one class shall expire at each annual meeting of the Society. The class whose term expires shall be ineligible to succeed itself. It shall adopt by-laws, subject to the approval of a majority of the members of the Committee present and voting at any regular or special meeting, prescribing the powers and duties of its officers and employees as provided by law. It shall execute all the powers and duties conferred on the Society except those expressly delegated to other officers by the by-laws. As a part of the Executive Committee's power to perform its function as the Governing body of the Society, there is expressly included the power to supervise and direct the financial and personnel concerns of the Society, cooperate with and provide assistance for the Department of State Archives and Records Commission, provide by contract, subject to the approval of the Department of Finance, for all the printing, publications and distribution of reports, books, and other publications calculated to promote and advance the Historical interest of Kentucky and otherwise conduct the ordinary affairs of the Society. The Committee shall also have the power to fill any vacancies until the next regular election, including those occurring within it's own membership, appoint standing and special Committees, and designate Honorary members.

VIII

The Executive Committee shall hold regular meetings on the first Friday after the first Monday in January, April, July and November. Matters to be determined and discussed at such meetings shall be furnished the Director at least ten days prior to such meetings in order that he may prepare and distribute an agenda to each member of the Committee at least three days before the meeting. Special meetings shall be held at the request of the President or any three members of the Commitee, provided the Director gives written notice together with the agenda of such meeting at least ten days in advance. In an emergency, nine members of the Committee may waive the provision of notice.

IX

The Executive Committee shall, by Executive order, approve an annual budget, provide for and fix the salaries of certain officers and employees, provide for the publication or preservation of all historical manuscripts, coordinate the functions of the Society with those of the State Archives and Records Commission, publish an Edition to be known as the "Register", augment the Society's various collections at all times, supervise and direct the ordinary affairs of the Society and appoint a nominating committee and other necessary Committees.

X

The regular annual meeting of the Society shall be held in the Old State Capiol Building on the first Friday after the first Monday in November. The meeting shall be presided over by the President and shall be open to all members. Special meetings may be called in Frankfort or elsewhere by the President or a majority of the Executive Committee, or by the Director upon the written request of twenty members of the Society. Members shall have fifteen days written notice of the time, place and object of the meeting.

XI

A majority of those present and voting shall constitute a quorum for the transaction of all business of the Society, it's Boards and Committees.

XII

The President of the Society shall be the Chief Executive officer and shall preside over meetings of the Board of Curators, at the request of the Chancellor, and all meetings of the Society or it's Committees. He shall recommend the appointment of all necessary or desirable Committees required to properly conduct the affairs of the Society and he shall be the Chairman of any and all Committees appointed by the Executive Committee. He shall be paid expenses incurred in the performance of any extra-ordinary services required of him by the Executive Committee, or the Board of Curators.

XIII

The Vice-Presidents of the Society shall preside in the absence of their successive superiors in office at all meetings of the Society and Committees. They shall attend all regular and special meetings of the Society and the Executive Committee and endeavor to familiarize themselves with the conduct and operations of the affairs of the Society. They shall aid and assist the President in the performance of his duties, counsel and advise the Executive Committee and endeavor at all times to advance and promote the public interest in the history of Kentucky and her people.

XIV

The Director of the Society shall attend and keep minutes of all meetings of the Society and the Executive Committee, send out notices, act as custodian of all records, funds and property of the Society in a manner directed and approved by the Executive Committee. He shall execute a bond to the Commonwealth approved by the Executive Committee for the proper accounting of all records, funds and property coming into his hands for the Society. He shall exhibit the financial records of the Society at each meeting of the Executive Committee and make an annual report to the Society at its annual meeting. He shall prepare an agenda for all matters to be discussed and determined at all regular and special meetings of the Executive Committee and distribute same to the members at least three days prior to the meeting. As soon as practicable after each meeting of the Executive Committee he shall prepare and distribute copies of the minutes of the meeting to the members. He shall be a member of the State Archives and Records Commission in order that he may coordinate the functions of the Society with those of the Archives and Records Commission. He shall act as Administrative Assistant to the Chancellor, the President and the Chairman of all Committees and perform such other duties as may be assigned to him by the Executive Committee or the Board of Curators.

XV

There shall be an Editor of the Register who shall conduct all necessary research and assemble manuscripts and contributions desirable for publication therein. He shall promote and encourage projects calculated to advance the history and archives of the Commonwealth, in addition to other duties that may be defined for him in the by-laws of the Executive Committee, or the Publication Committee, as appointed by the Chancellor.

XVI

The Comptroller shall be the chief financial officer of the Society and shall execute bond to the Commonwealth in such amount as may be determined by the Executive Committee. He shall prepare all budget requests, procure the allotments, from all appropriations or agency funds as directed by the Executive Committee, prepare and keep all books and records necessary to transact the Society's business and reflect its financial condition at all times and report thereon to each regular meeting of the Executive Committee. He shall be accountable to the Executive Committee and the Commonwealth for the receipt and disbursement of all monies used in the maintenance, operation, and promotion of the Society and perform such other services as may be required of him by the Executive Committee or the Board of Curators.

XVII

All rights, duties and liabilities of the Curator and Librarian of the Society shall be defined in the by-laws of the Executive Committee. Particular emphasis shall be placed upon the acquisition and preservation of museum exhibits, the development of the Society's collection of printed materials and manuscripts. Emphasis shall also be impressed upon the importance of securing outstanding collection and items of historical value consistent with the established collecting policies of the Society.

The Librarian shall approve the context of all Historical Markers and shall, at the direction of the Executive Committee, select the place and location where such markers are to be erected.

XVIII

Nominations to membership on the Executive Committee and to the offices of President, First Vice-President, Second Vice-President and Third Vice-President, shall be made by a Nominating Committee, or, by written petition signed by not less than one hundred members of the Society. The Nominating Committee shall consist of five members, shall be appointed at the first regular meeting of the Executive Committee after its election and shall consider candidates for the Constitutional offices during the year of their appointment. The Nominating Committee shall meet in the office of the Director 45 days prior to the regular annual meeting in November 1960 and nominate at least sixteen candidates for membership on the Executive Committee and in addition at least one candidate for the office of President, First Vice-President, Second Vice-President, and Third Vice-President, Director, Editor, Comptroller, Curator and Librarian and file same with the President. Annually thereafter the Nominating Committee shall meet and nominate at least one candidate for the proper offices. All nominations by written petition shall be filed with the President prior to the annual meeting. Upon the call for the election of officers the President shall promptly report the nominations by the Nominating Committee together with the nominations of any by written petition. When more than the required number of candidates have been nominated for membership on the Executive Committee or more than one candidate for the offices to be filled, the President shall call for an election by the vote of those present, together with the number of votes cast by proxy, and a plurality of all votes cast shall be sufficient to elect. Where no vote count is required the President shall cast one vote for each candidate and he or she shall be declared elected.

XIX

This Charter may be amended by a two thirds vote of the members present and voting at any regular meeting or at any special meeting of the Society called for the purpose, provided that written notice containing the substance of the proposed amendments shall have been mailed to members not less than thirty days in advance of such meeting and the same approved as an amendment by the first General Assembly, meeting after the action of the Society.

Section 2. Sections 171.310 and 171.330 of the Kentucky Revised Statutes are repealed.

HB 506, AN ACT relating to operators' licenses.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 186 is created to read:

(1) Every applicant who has reached his sixteenth birthdate but has not reached his eighteenth birthdate shall be eligible for receipt of a provisional operator's license, subject to the usual provisions of all applications and examinations.

(2) The provisional operator's license is a special license, to be issued to sixteen and seventeen year old operators only, and shall be subject to all rules, regulations, and laws governing operators' licenses except that the Department may prescribe rules and regulations governing the issuing, use, suspension, revocation, or cancellation of it.

(3) Nothing in this section is intended to alter the provisions of the issuing or retaining of the permanent operator's license except that no person shall be eligible for the permanent operator's license until he has reached the age of eighteen years.

(4) Whenever a provisional operator's license is suspended, revoked, or cancelled according to the rules, regulations, or laws of this state, the privilege to operate a motor vehicle of such provisional licensee shall remain cancelled until the licensee shall have attained his eighteenth birthdate.

(5) In every event, when the holder of a provisional operator's license reaches his eighteenth birthdate, the provisional license shall expire and the holder must apply for and obtain a permanent operator's license before operating a motor vehicle upon the highways. Such application shall be made in the manner prescribed for the permanent

operator's license except that the Department may require the applicant to submit to such review examination as the Department may prescribe.

(6) The fee for the provisional operator's license shall be identical to that of the permanent operator's license.

(7) All licenses heretofore issued to sixteen and seventeen year old operators prior to the enactment of these provisions shall be subject to the rules, regulations, and laws governing the provisional operator's license.

HB 391, AN ACT relating to apprenticeship.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 343.060 of the Kentucky Revised Statutes is amended to read as follows:

No apprentice agreement submitted for approval under this chapter shall be effective until approved by the supervisor. Every apprenticeship agreement, so submitted, shall be signed by the employer and by the apprentice. However, the supervisor may, at his discretion, recognize apprentices who are in training under an approved apprenticeship program when a list of such apprentices is submitted on a form prescribed by him. If the apprentice is a minor, the agreement shall be signed by his parent or guardian. Where a minor enters into an apprenticeship agreement under this chapter for a period of training extending into his majority, the apprenticeship agreement shall likewise be binding for the period covered during his majority.

SB 148, AN ACT relating to metropolitan sewer districts and the construction of sewage and drainage facilities and appurtenances at the cost of benefitted property, and for connections to existing sewers, and amending Chapter 76 Kentucky Revised Statutes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. That Section 76.090 (1) Kentucky Revised Statutes be amended and revised to read as follows: (1) Upon taking and assuming control of such existing sewer and drainage systems the district is authorized to establish a schedule of rates, rentals, and charges, to be collected from all the real property served by the facilities of such district, and to prescribe the manner in which and time at which such rates, rentals, and charges are to be paid, and to change such schedule from time to time as the district may deem necessary, advisable or expedient. Such schedule may be based upon either, (a) the consumption of water on premises connected with such facilities, taking into consideration commercial and industrial use of water; or (b) the number and kind of plumbing fixtures connected with such facilities; or

(c) the number of persons served by such facilities; or (d) may be determined by the district on any other basis or classification which the district may determine to be fair and reasonable, whether similar or dissimilar to those enumerated; or (e) any combination thereof. This schedule may include additional charges for treatment of sewage, with a surcharge where the sewage contains industrial wastes or other wastes in excess of limitations established by regulations of the district.

Section 2. That Section 76.171 Kentucky Revised Statutes be amended and revised to read as follows:

Where adequate sanitary sewers, combined sewers, drains, appurtenances, or property service connections have not been constructed in any territory annexed to a city of the first class since July 1, 1946, the city legislative body may, by ordinance, on recommendation of the board of the metropolitan sewer district, which includes such city, construct sanitary sewers, combined sewers, drains, appurtenances or property service connections within such territory, to connect with the city sewerage or drainage system, at the cost of the area benefited.

Section 3. That Section 76.172 Kentucky Revised Statutes be amended and revised to read as follows:

(1) The ordinance providing for the construction of sewerage or drainage facilities and appurtenances shall describe the nature and kind of facilities to be furnished and shall describe the particular area benefited by said sewerage or drainage facilities.

(2) The costs of the sanitary sewers, combined sewers, drains, and appurtenances shall be assessed against the land in said benefited area according to the number of square feet in any lot or tract within the area described in the ordinance, but on any sewer or drain greater in size than ten (10) inches in diameter, the percentage of cost to be paid by the owners of property in said assessment area shall not be greater than the estimated cost of a sewer ten (10) inches in diameter on the same slope, at the same depth, and of the same materials as the sewer or drain constructed. The rate of apportionment shall be the same for each square foot of land in said benefited area, and shall be determined by dividing the cost of the assessable sanitary sewers, combined sewers, drains and appurtenances by the total area of all land benefited in the area.

(3) The costs of property service connections from the sewer to the property line or easement line as required shall be assessed against the individual lots or tracts to which such property service connections are furnished. The costs to be assessed for the property service connections shall be fixed by regulation of the metropolitan sewer district based on its experience of costs for such work.

(4) All land included in said described territory shall be assessed, except such property dedicated to use for public roadways and prop-

erty owned by cities of the first or second class, counties containing cities of the first or second class, and any joint agencies of such cities and counties.

(5) When the board of a metropolitan sewer district determines that such construction of sanitary sewers, combined sewers, drains, appurtenances or property service connections at the cost of the property owners shall be recommended to the board of aldermen of a city of the first class, the metropolitan sewer district shall cause its engineering department to prepare complete drawings and specifications for the work and to keep same available for inspection in its offices.

(6) The actual construction work of the sanitary sewers, combined sewers, drains, appurtenances or property service connections constructed pursuant to such ordinance shall be done by, or under the control of, the metropolitan sewer district.

The cost of the sanitary sewers, combined sewers, drains, appurtenances or property service connections shall include not only the actual construction costs and the costs of any easements required for the sewers, but also costs of surveys, designs, plans, specifications, advertising, inspection and administration; however, these costs other than actual construction costs and costs of easements shall not exceed fifteen per cent of the actual construction costs of the project. The costs of surveys, designs, plans, specifications, advertising, inspection and administration, but not exceeding a total of fifteen (15) per cent of the actual construction costs and the cost of any easements shall be paid by the contractor to the metropolitan sewer district at the completion of the work so that such costs may be included in the apportionment warrants.

(7) A lien superior to all liens except the liens for state, county, city, school and road taxes and liens prior in time for other public improvements shall exist against the respective lots or tracts of land for the cost of the sanitary sewers, combined sewers, drains, appurtenances or property service connections for apportionment as hereinafter provided for, and interest thereon at the rate of six per cent per annum.

(8) No error in the proceedings of the city legislative body shall exempt such property from payment after the work has been done as required by either the ordinance or contract, but the city legislative body, or the courts in which suits shall be proceeding, shall make all corrections, rules and orders to do justice to all parties concerned. In no event, if the sanitary sewers, combined sewers, drains, appurtenances or property service connections are constructed as provided, by ordinance or contract, shall the city or the metropolitan sewer district be liable for the costs of the sanitary sewers, combined sewers, drains, appurtenances or property service connections without the right to enforce such costs against the property receiving the benefit.

(9) Upon completion and acceptance of the sewer facility constructed, the metropolitan sewer district shall make out all apportion-

ment warrants for which liens are given for improvements of sewer facilities and shall immediately enter them in alphabetical order upon a register kept for that purpose. When the holder of the warrant has obtained payment, he shall notify the metropolitan sewer district and it shall mark upon the register the fact of payment.

(10) The lien shall exist from the date of the apportionment warrant, but a lien shall not be valid against a purchaser for a valuable consideration without notice, unless the apportionment warrant is entered and registered within ten days of its issuance.

(11) After any sewer facilities have been constructed in conformity with this section the metropolitan sewer district shall give notice by one publication in a newspaper of general circulation in the city of the costs apportioned, and the amounts assessed and levied on the various tracts of land liable for the payment. (1952, c. 69, 2; 1956, c. 61; effective May 18, 1956)

SB 36, AN ACT relating to local regulation of electrical standards.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act unless the context otherwise required:

(1) "Electrical contractor" means any individual, partnership or corporation that engages in the business of or employs others for the construction, alteration or repair of any electrical wiring used for the purpose of furnishing heat, light or power;

(2) "Electrician" means any person who is employed by an electrical contractor and is engaged in the construction, alteration or repair of any electrical wiring used for the purpose of furnishing heat, light or power;

(3) "Electrical" pertains to the installation of wires and conduits for the purpose of transmitting electricity, and the installation of fixtures and equipment in connection therewith.

Section 2. This act applies to cities of the second and third classes, and counties containing those cities.

Section 3. This act shall not apply to rural electric co-operatives, to factory maintenance men or any employees of the utility companies, railroads or municipalities in pursuit of their respective employers business.

Section 4. Any action authorized by the provisions of this Act to be accomplished by a city or county may be undertaken by the city or county jointly. The provisions of this act may only be accomplished jointly by city or county where a joint resolution is passed, both by the Fiscal Court and the governing body of the city and in such instance where a joint resolution fails, the provisions of this act may be accomplished separately by the city and the county.

Section 5. (1) A city or county may require any person to obtain permits before commencing construction, alteration or repairs of any electrical wiring, and require such inspection as it deems necessary for the safety of life and property.

(2) Reasonable standards for the construction, alteration and repair of any electrical wiring shall be adopted by the city or the county and shall have as a minimum standard the requirements of the national electric code which is incorporated into the state standards of safety. The standards so adopted by the city or the county shall be used by the electrical inspector in making his inspections.

Section 6. (1) A city or county may require all electrical contractors and electricians, except those who have had at least five (5) years of experience as an electrical contractor and/or electrician, to be examined by an examining board before being issued a license to engage in their occupation. An electrician desiring to become a contractor may apply for an examination to the examining board. A city or county may require all non-resident electrical contractors and electricians to conform to reasonable standards prior to engaging in their occupation within the jurisdiction of the city or county.

(2) The examining board shall be composed of seven members appointed by the city or the county and in such instances as where the provisions of this act are accomplished jointly as provided for in Section 4, the appointment shall be by joint resolution of the governing body of the city and the county. The board shall consist of two fire department officials, two consulting electrical engineers or architects, two electrical contractors and one utility company official. No appointee shall serve more than two consecutive years.

(3) The members of the examining board shall serve without salary.

(4) In order to administer this Act, the board may issue and revoke licenses, hear and settle disputes over code questions and how it shall apply in their area; conduct and make regulations for conducting examinations of applicants; govern the method and time of making application for examination and the time within which applicant shall be examined after application has been filed. It may adopt any other reasonable regulations to administer this Act.

(5) Electrical contractors and electricians may be required to pay a reasonable fee before issuance of a license to them.

Section 7. A city or county may fix as a penalty for the violation of an ordinance or resolution passed under the provisions of this Act, a fine of not less than ten dollars nor more than one hundred dollars, or imprisonment for not more than fifty days, or both.

HB 201, AN ACT amending and re-enacting KRS 382.520 to provide that mortgages shall secure not only the original indebtedness but also all extensions and renewals thereof, and providing that such mortgages may secure any other indebtedness to the extent expressly provided for in the mortgage.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 382.520 of Kentucky Revised Statutes is amended and re-enacted to read as follows:

In all cases where a loan is made by a bank, trust company, or building and loan association incorporated and doing business under the laws of this Commonwealth or incorporated and doing business under the laws of the United States of America, the mortgage originally executed and delivered by the borrower or borrowers to the bank, trust company or building association shall secure payment of all renewals and extensions of said loan and the note evidencing it, whether so provided in the mortgage or not; and the mortgage may secure any additional indebtedness, whether direct, indirect, existing, future, contingent or otherwise, to the extent expressly authorized by the mortgage, provided the mortgage by its terms stipulates the maximum additional indebtedness which may be secured thereby.

SB 200, AN ACT relating to Judicial Districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Subsection (25) and the preamble of Section 23.050 of the Kentucky Revised Statutes are amended to read as follows:

The regular term of each court shall commence in each county at the following named time, and continue, if the business requires it, the number of days hereinafter prescribed:

Twenty-fifth District. Clark County at Winchester, on the first Monday in April, twenty-four juridical days, on the second Monday in September and the fourth Monday in November, eighteen juridical days each.

Jessamine County at Nicholasville, on the third Monday in March, second Monday in June and second Monday in November, twelve juridical days each.

Madison County at Richmond, on the third Monday in February, the first Monday in May and the first Monday in October, twenty-four juridical days each.

HB 385, AN ACT relating to construction of National Guard Armories, and appropriating money therefor.

WHEREAS, certain funds, not exceeding $571,000, were appropriated to the Governor's Special Emergency Fund, by the 1956 General Assembly, and earmarked for construction of National Guard Armories;

WHEREAS, the unexpended portion of such funds were reappropriated to the Capital Construction Fund by the 1958 General Assembly (1958 Acts, Ch. 24) for such use during the fiscal years beginning on July 1, 1958 and expiring on June 30, 1960;

WHEREAS, approximately $259,800 of this fund will be unexpended on June 30, 1960; and

WHEREAS, an additional appropriation is needed for matching federal funds when made available, for completion of the construction program as now approved by the Federal Government;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 36.082 of the Kentucky Revised Statutes is amended to read as follows:

(1) This section may be cited as the National Guard Armory Construction Act.

(2) The purpose of this Section is to provide funds for the construction of National Guard Armories at the following locations: Middlesboro, Barbourville, Louisville, Bardstown, Glasgow, Hopkinsville, Monticello, Campbellsville and Marion, and such other locations at which National Guard units may be established.

(3) As used in this section, unless the context otherwise requires:

(a) "Armory" means a structure in which to house, administer, train, and equip a unit or units of the Kentucky National Guard and all appurtenances necessary thereto.

(b) "Federal funds" means funds provided by the Congress of the United States through the enactment of public law for the construction of National Guard armories in the several states.

(4) To carry out the purposes of this section, funds in the approximate amounts of $259,800 appropriated to the Capital Construction Fund by Chapter 24 of the 1958 Acts of the General Assembly, construction of National Guard armories, or any amount thereof, unexpended at the end of the 1959-1960 fiscal year shall not lapse but shall remain available for expenditure for purposes of this section during the fiscal years beginning July 1, 1960 and expiring on June 30, 1962. The additional sum of $147,168 is hereby appropriated to the Capital Construction Fund to be earmarked for use in the completion of the program set out in subsection (2) of this section.

HB 502, AN ACT relating to registration and purgation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Not less than 90 days prior to each primary election for state-wide offices the County Registration and Purgation Board shall notify by first class mail each registered voter in the county at the address listed on his registration record that if he moves from his present precinct to another within the county without having his registration record transferred as provided in KRS 117.645 by __________, the day on which the registration books are closed, he will be disqualified from voting.

Section 2. The name and address of the County Registration and Purgation Board shall be indicated in the upper left hand corner of the envelope with the following notation: "If undeliverable at address shown, return to sender immediately without recourse to directory service." When the mailed notice is returned as provided herein, the county purgation board shall immediately cancel the registration record of the voter and the names of the purged voters shall be published in a newspaper of the largest general circulation within the county not less than 70 days prior to the primary election. Any voter so purged may, however, have his name reinstated by submitting sufficient proof to the board that he is still a legal resident of the precinct. Reinstatement may be made during the period the registration books are closed but not later than 20 days before the primary.

Section 3. If any County Registration and Purgation Board fails or refuses to perform its duties as required by this Act, any citizen or candidate may, and the Commonwealth's Attorney or the Attorney General shall when so requested by the State Registration and Purgation Board, apply to the circuit court of the county for a summary mandatory order to require compliance. If the circuit court finds that the county board has not complied with the provisions of this Act it shall issue such summary mandatory order.

SB 84, AN ACT relating to the use of gasoline, the tax on which is subject to refund.

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Any person who knowingly uses gasoline, the tax on which is subject to refund under KRS 138.343 to 138.357, for any purpose other than operating or propelling stationary gasoline engines or tractors for agricultural purposes, shall be fined not less than one hundred nor more than five hundred dollars, or imprisoned not exceeding one year, or both so fined and imprisoned.

HB 282, AN ACT relating to pharmacy.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 315.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in this chapter, unless the context requires otherwise:

(1) "Association" means the Kentucky Pharmaceutical Association.

(2) "Board" means the Kentucky Board of Pharmacy.

(3) "Pharmacy" means every place where:

(a) Drugs are dispensed or sold at retail or displayed for sale at retail, or

(b) Where prescriptions are compounded, or

(c) Which has upon it or displayed within it, or affixed to or used in connection with it, a sign bearing the term "pharmacists", "pharmacy", "apothecary", "drug", "drug store", "druggists", "drugs", "medicines", "medicine store", "drug sundries", "remedies", or any term of similar or like import or any place with respect to which any of those terms are used in any advertisement or telephone directory listing, or

(d) Where the characteristic show bottles or colored globes are exhibited.

Section 315.110 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every licensed pharmacist who desires to continue in business shall, during January of each year, pay to the secretary-treasurer of the board a renewal fee, to be fixed by the board, but not to exceed ten dollars. For this he shall receive a certificate of renewal of his license.

(2) Every licensed assistant pharmacist who desires to continue in business shall, during January of each year, pay to the secretary-treasurer of the board a renewal fee, to be fixed by the board, but not to exceed four dollars. For this he shall receive a certificate of renewal of his license.

(3) Every pharmacist and every assistant pharmacist shall keep his current certificate conspicuously displayed in his place of business.

HB 327, AN ACT relating to the disposal of motor vehicles by peace officers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. No owner or operator or employee of a parking lot, storage garage, wrecker service or towing service for motor vehicles, owned or operated wholly or in part either by a peace officer of this state or any political subdivision thereof, or by a member of his immediate family, shall accept a motor vehicle for parking, storage or towing upon the request or order of a peace officer; unless:

(1) The request or order is accompanied by written permission of the owner of the vehicle or his authorized agent;

(2) An emergency exists which requires that the street or highway be cleared in the quickest and most practical manner for the public safety or convenience; or

(3) The owner or operator of the class enumerated in subsection (1) of this Section is the only person in the general area providing parking, storage, wrecker or towing service.

Section 2. (1) It shall be unlawful for any peace officer to give or sell, to attempt to give or sell, or to conspire with another for the purpose of giving or selling the towing or storage business, arising during the course of his enforcement of any law or ordinance pertaining to motor vehicles, to one or more companies to the detriment of other similar companies engaged in the same or similar business, operating in the general area.

(2) It shall be unlawful for any peace officer to enter into, to attempt to enter into, or to solicit any agreement, or to conspire with another to enter into, to attempt to enter into or solicit any agreement with the owner, operator or any employe of a parking lot, storage garage, wrecker service or towing service, whereby the peace officer undertakes, attempts to undertake or represents that he can or will in the performance of his official duties favor or give preference to a parking lot, storage garage, wrecker service, or towing services, or to the owner, operator or employes thereof above that given to the same or similar businesses, operating in the general area.

(3) It shall be unlawful for any peace officer to accept or solicit any rebate, commission or anything of value from the owner or operator of a parking lot, storage garage, wrecker service or towing service either on his own behalf or upon the behalf of any organization of peace officers or any organization in which any peace officer may have or acquire a financial interest.

Section 3. Any person who violates the provisions of this Act shall be fined not less than one hundred dollars and not more than one thousand dollars, or imprisoned not more than six months, or both.

HB 503, AN ACT relating to lien of employees on property of a mine, railroad, public improvement company, manufacturing establishment or other business and persons furnishing supplies for operation of a railroad.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 376.160 of the Kentucky Revised Statutes is amended to read as follows:

Any lien provided for in Kentucky Revised Statutes 376.150 and 376.180 shall be superior to the lien of any mortgage or other encumbrance thereafter created and shall attach to or against any properties, real or personal, equipment or effects used by the employes in the employers' business and shall be for the whole amount due the employes as such, or due for such materials or supplies. Liens of employes for wages coming due to them within six months before the property or effects shall come to be distributed among creditors shall be superior to the lien of any mortgage or other encumbrance theretofore or thereafter created. No president or other chief officer, nor any director or stockholder of any such company, shall be deemed an employee within the meaning of Kentucky Revised Statutes 376.150.

SB 163, AN ACT relating to investments in securities of federal housing agencies.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 386.030 of the Kentucky Revised Statutes is amended to read as follows:

(1) Banks, trust companies, insurance companies, building and loan associations, credit unions, executors, administrators, trustees or others acting in a fiduciary capacity, trust funds, and other financial institutions, originating mortgagee institutions, and other institutions approved as mortgagees and meeting otherwise the requirements of the Federal Housing Administration to act as mortgagees under that agency's approval program, subject to the laws of this state, may:

(a) Make such loans and advances of credit and purchases of obligations representing loans and advances of credit as are eligible for credit insurance by the Federal Housing Administrator, and may obtain such insurance.

(b) Make such loans secured by real property or leasehold, as the Federal Housing Administrator insures or makes a commitment to insure, and may obtain such insurance.

(c) Invest their funds, eligible for investment, in notes or bonds secured by mortgage or trust deed insured by the Federal Housing Administrator, and in debentures issued by the Federal Housing Administrator, and also in securities issued by National Mortgage Associations.

Section 2. (2) This state and any of its political subdivisions, or any agency or instrumentality thereof may invest its funds and the monies in its custody or possession, eligible for investment, in notes or bonds described in paragraph (c) of subsection (1).

Section 3. (3) No law of this state requiring security upon which loans or investments may be made, or prescribing the nature, amount or form of the security, or prescribing or limiting interest rates upon loans or investments, or limiting investments of capital or deposits, or prescribing or limiting the period for which loans or investments may be made, shall apply to loans or investments made pursuant to the provisions of this section.

Section 4. Nothing in this Act shall be construed to be in conflict with, or to supersede the provisions of, Senate Bill 155 enacted at the 1960 Regular Session of the General Assembly.

HB 412, AN ACT relating to testimony and services of optometrists.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) The testimony of an optometrist duly licensed under the laws of the Commonwealth of Kentucky shall be received by any official, board, commission or other agency of the Commonwealth or any of its subdivisions or municipalities as qualified evidence with respect to any matter defined in the laws as constituting the practice of optometry.

(2) Every such official, board, commission or other agency shall accept the services of duly licensed optometrists without discrimination between optometrists and any other person authorized by law to render the same professional services, when such services are desired, and shall pay for such services in the same manner as other professions may be paid for the same services.

HB 474, AN ACT relating to judicial sales.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 426.200 of the Kentucky Revised Statutes is amended to read as follows:

(1) Land shall be sold under execution to the highest bidder at the courthouse door of the county in which it lies, on the first day of a county or circuit court held for the county or on the premises to be sold if so specified by the defendant, which place of sale shall be stated in the order or judgment of the court. Only so much land shall be sold as will satisfy the execution under which the sale is made.

(2) The officer making the sale shall first advertise the time and place of sale by written notice describing the land to be sold, posted at the courthouse door and three other public places in the vicinity of the land for fifteen days next preceding the sale, or by a newspaper notice if required by KRS 426.560.

(3) Before a sale of land, the officer shall have the land appraised, under oath, by two disinterested, intelligent housekeepers of the county, who may be sworn by him. If the appraisers disagree, the officer shall act as umpire. If a part of a tract only is sold, the part sold shall, after the sale, be revalued in like manner. The appraisal shall be in writing, signed by the persons making it, and returned with the execution. The officer shall refer to and explain the proceeding in his return on the execution, which return shall be recorded in full.

HB 511, AN ACT relating to commissioners and receivers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 64.270 of the Kentucky Revised Statutes is amended to read as follows:

(1) In counties containing a city of the first class, commissioners and receivers appointed by the circuit court shall receive an annual salary of $7,200, payable out of the fees of the office. In counties containing a population of 75,000 or over but not containing a city of the first class, commissioners and receivers appointed by the circuit court shall receive an annual salary of $6,000, payable out of the fees of the office.

(2) The amount, if any, allowed for necessary office expenses of said commissioners and receivers shall be fixed and regulated by an order entered upon the order book of the circuit court. A certified copy of the order and any subsequent changes made therein shall, as soon as entered, be forwarded to the Department of Finance.

(3) Each of said commissioners and receivers shall enter and keep in books in his office an account of the amounts earned by him or due him for official services rendered, when and to whom the service was rendered, what part has been paid, and when paid. He shall annually, in January, report to the Department of Finance, under oath, the amount received by him for official services from all sources during the preceding year, and the amount paid out for deputies, assistants and office expenses, giving separately the amount paid out for each item.

(4) Except as provided in subsection (5) of this section, the commissioner or receiver shall, with the annual statement, pay to the Department of Finance any amount in excess of his salary, received during the preceding year for official services, that remains after payment of salaries of deputies and assistants and legitimate office expenses.

(5) Such commissioners and receivers may make up out of the surplus of any year any shortage in their salaries, or the salaries of their deputies, of any previous year.

HB 143, AN ACT relating to the territorial jurisdiction of city planning commissions in cities of the third to sixth classes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 100.720 of the Kentucky Revised Statutes is amended to read as follows:

The territorial jurisdiction of planning commission over the subdivision of land shall be limited to land lying within the corporate limits of the city.

SB 124, AN ACT relating to summoning jurors in criminal cases from adjoining counties.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 194 of the Criminal Code of Practice is amended to read as follows:

If the judge of the court be satisfied after having made a fair effort, in good faith, for that purpose, that, from any cause, it will be impracticable to obtain a jury free of bias in the county wherein the prosecution is pending, he shall be authorized to order the sheriff to summon a sufficient number of qualified jurors from some adjoining county in which the judge shall believe there is the greatest probability of obtaining impartial jurors. When the sheriff is so ordered he shall go to the circuit judge of such adjoining county, if he is in the county at the time, and request the judge to draw from the jury drum a list of names sufficient in number to equal the number ordered summoned; and to record the names upon paper, certify and sign it. Whereupon the said sheriff shall summon the number ordered to be summoned from such list. If the circuit judge is not in the county at the time, then the sheriff shall select such jurors from the panels which served, and whose names appeared of record, as jurors at the previous regular term of court in such adjoining county. If the jurors who served at the preceding term are not sufficient in number to meet the number ordered summoned then the sheriff shall select the remainder from the list which served at the next to the last preceding term. From the persons so summoned the jury may be formed.

SR 30, A CONCURRENT RESOLUTION memorializing Congress to increase tobacco allotments by five to ten percent.

WHEREAS, the burley industry has underproducted actual requirements by 220,000,000 pounds in the last five years;

WHEREAS, burley consigned to government loan agencies is dwindling at an alarming rate, as is also tobacco held by co-operatives, because of the lack of production;

WHEREAS, if production of burley tobacco is not soon increased, buyers will seek types other than burley to supply their needs which are not subject to market quotes to the detriment of the quality of tobacco used in tobacco products; and

WHEREAS, the only solution to the present injurious conditions is increased production;

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That the Congress of the United States be and is memorialized to increase tobacco allotments by five to ten percent, whereby each state's allotment shall be increased in same proportion as now exists.

Section 2. That a copy of this Resolution be sent to each member of Congress from Kentucky.

Calendar

HB 463, HB 409, HR 79, HB 390, SB 136, HB 485, HB 496, HB 349, HB 356, HB 449, HB 328, HB 460, HB 491, SB 202, HB 492, HB 493, HB 444, HB 494, HB 495, HB 498 and **HR 88** were taken from the Calendar and ordered read at length for the second time. Representative Ray moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

HB 429 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 63—Alexander, Barton, Buckman, C. C. Carter, Earl Carter, Castle, Childress, Cole, Colley, Cottengim, Cowherd, Crecelius, Davis, Denham, Dobyns, Dowell, Edmunds, Ellis, Fern, Fields, Fitzpatrick, Ford, Hahn, Haley, Hall, Hampton, Hardin, Harris, Hays, Henry, Hinkle, Hopkins, Irick, Lankford, Lovins, Lyon, C. H. Martin, Miles, Moorman, L. F. Morgan, Murphy, Nichols, Nolan, Osting, Peniston, Qualls, Ray, Rayburn, Render, Reynolds, Robinson, Slusher, A. C. Smith, J. D. Smith, Stacy, Stidham, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White. Nays 0. **HB 429** was passed and the title agreed to.

HB 177 taken from the Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 66—Alexander, Barton, Buckman, C. C. Carter, Earl Carter, Castle, Childress, Chumbler, Cole, Colley, Paul Cornett, Cowherd, Crecelius, Davis, Denham, Dobyns, Dowell, Edmunds, Ellis, Fern, Fields, Ford, Garner, Hahn, Haley, Hall, Hampton, Hardin, Harris, Hays, Henry, Hinkle, Hopkins, Irick, Isler, Lankford, Lovins, C. H. Martin, Miles, Moorman, L. F. Morgan, Murphy, Nichols, Nolan, Osting, Peniston, Qualls, Ray, Rayburn, Render, Reynolds, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Stidham, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, Young. Nays 0. **HB 177** was passed and the title agreed to.

HB 335 taken from the Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 49—Alexander, Barton, Buckman, Earl Carter, Castle, Childress, Chumbler, Cole, Colley, Cottengim, Cowherd, Crecelius, Denham, Dobyns, Ellis, Fern, Fields, Fitzpatrick, Ford, Hahn, Haley, Hall, Hampton, Henry, Hopkins, Irick, Isler, Lankford, Moorman, L. F. Morgan, Nichols, Nolan, Peniston, Ray, Render, Reynolds, Roberts, Robinson, Slusher, A. C. Smith, Virgil Smith, Stacy, Stidham, Summe, Tanner, Tucker, G. T. White, J. E. White, Young. Nays 8—Davis, Garner, Hardin, Harris, Hays, Miles, Qualls, Rayburn. **HB 335** was passed and the title agreed to.

HB 342 taken from the Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved it be read by title only. Agreed by a majority of members elected.

Representative Ray moved to amend **HB 342** as follows:

Amend printed copy of **HB 342** on page 14, section 9, line 10 by eliminating "(4)" and inserting in lieu thereof "(5)"
also, on page 17, following line 23, insert the following:

"Section 14. Section 281.710 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any motor carrier who is a nonresident of this state may, prior to operating any motor vehicle for hire in this state, appoint a person residing in this state as agent upon whom process may be served, and shall maintain such agent so long as the carrier operates a motor vehicle for hire in this state. The appointment shall be made by filing in the office of the department a statement giving the name and residence of the agent. If the motor carrier is an individual, the statement shall be subscribed by him; if the motor carrier is a partnership, corporation or an unincorporated association or company, the statement shall be subscribed by a partner or by an officer. When any change is made in the agent, the motor carrier shall immediately file with the department a statement of the change, and the former agent shall remain agent for the purpose of service until the statement of appointment of the new agent is filed.

(2) Any motor carrier who fails to appoint a resident of this state as agent upon whom process may be served or fails to maintain such agent after his original appointment shall thereupon become subject to the provisions of KRS Chapter 188, and the Secretary of State shall be his agent for the service of process."
also, on page 17, Section 14, line 1, renumber "Section 14" as "Section 15". Agreed.

On the roll call, the vote was yeas 59—Barton, Buckman, Earl Carter, Castle, Childress, Chumbler, Cole, Colley, Paul Cornett, Cottengim, Cowherd, Crecelius, Davis, Denham, Dobyns, Dowell, Edmunds, Ellis, Fern, Fields, Ford, Garner, Hahn, Haley, Hampton, Hardin, Harris, Hinkle, Hopkins, Irick, Lankford, Lovins, Lyon, Miles, Moorman, L. F. Morgan, Nichols, Nolan, Osting, Peniston, Qualls, Ray, Rayburn, Render, Reynolds, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Stidham, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White. Nays 0. **HB 342** was passed and the title agreed to.

HB 438 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved it be read by title only. Agreed by a majority of members elected.

Representative Ray moved to amend **HB 438** as follows: on page 3 and 4 section 4, line 15 and 16 by deleting such lines and substituting therefor the following: "said date and expect to be absent therefrom for the following reasons ____________ at the election to be held on the ______ day of." Agreed. Representative Ray moved to amend HB 438 on page 3, section 7, line 28 by deleting said line and substituting therefor the following: "party; that for the following reasons ____________ I expect to be". Agreed. Representative Ray moved to amend **HB 438** on page 9 by adding a new section at the end of the bill as follows:

"Section 9. A new section of the Kentucky Revised Statutes is created to read as follows:

Where it appears that a person who has voted an absent ballot is present in the county on the day of election, such voter's absent ballot shall not be counted." Agreed.

On the roll call, the vote was yeas 54—Barton, Brizendine, C. C. Carter, Castle, Childress, Chumbler, Cole, Colley, Cottengim, Cowherd, Crecelius, Davis, Denham, Dobyns, Dowell, Edmunds, Ellis, Fields, Ford, Garner, Hahn, Haley, Hampton, Hardin, Harris, Henry, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Miles, Moorman, L. F. Morgan, Nichols, Nolan, Osting, Peniston, Ray, Render, Roberts, Robinson, Slusher, J. D. Smith, Virgil Smith, Stacy, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White. Nays 6—Earl Carter, Cornett, Fern, C. H. Martin, Rayburn, Spurrier. **HB 438** was passed and the title agreed to.

HB 466 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 57—Alexander, Barton, Buckman, Earl Carter, Castle, Childress, Chumbler, Clark, Paul Cornett, Cottengim, Crecelius, Davis, Denham, Dobyns, Dowell, Edmunds, Ellis, Fern, Fields, Ford, Garner, Hahn, Haley, Hampton, Harris, Henry, Hinkle, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Miles, Moorman, L. F. Morgan, Murphy, Nichols, Nolan, Osting, Peniston, Qualls, Ray, Rayburn, Render, Roberts, Robinson, Slusher, J. D. Smith, Virgil Smith, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White. Nays 0. **HB 466** was passed and the title agreed to.

HB 469 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 60—Alexander, Barton, Buckman, Earl Carter, Castle, Childress, Chumbler, Clark, Colley, Cottengim, Crecelius, Denham, Dobyns, Edmunds, Ellis, Fern, Fields, Ford, Garner, Hahn, Haley, Hampton, Hardin, Harris, Hays, Henry, Hinkle, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, C. H. Martin, Miles, Moorman, Fred Morgan, L. F. Morgan, Nichols, Nolan, Osting, Peniston, Qualls, Ray, Rayburn, Render, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White. Nays 0. **HB 469** was passed and the title agreed to.

The Speaker vacated the Chair and Representative Fitzpatrick presiding.

HB 470 taken from the Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 62—Alexander, Barton, Buckman, Earl Carter, Castle, Childress, Chumbler, Clark, Colley, Cottengim, Cowherd, Crecelius, Davis, Denham, Dobyns, Dowell, Edmunds, Ellis, Fern, Fields, Ford, Garner, Hahn, Haley, Hampton, Hardin, Harris, Hays, Henry, Hinkle, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, C. H. Martin, Miles, Moorman, L. F. Morgan, Nichols, Nolan, Osting, Peniston, Qualls, Ray, Rayburn, Render, Reynolds, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Stidham, Summe, Treas, Tucker, G. T. White, J. E. White. Nays 0. **HB 470** was passed and the title agreed to.

HB 471 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Ray moved to amend **HB 471** as follows: "Amend printed copy of House Bill No. 471 on page 2, section 2, line 12 to delete such line and substitute in lieu thereof the following: roll, list the total acreage and the acreage in the Watershed Con-." Agreed.

On the roll call, the vote was yeas 60—Alexander, Barton, Buckman, Earl Carter, Castle, Childress, Chumbler, Clark, Cole, Paul Cornett, Cottengim, Cowherd, Crecelius, Davis, Denham, Dobyns, Dowell, Edmunds, Ellis, Fern, Fields, Hahn, Haley, Hampton, Hardin, Harris, Hays, Hinkle, Hopkins, Irick, Isler, Lankford, Lovins, Miles, Moorman, Fred Morgan, L. F. Morgan, Nichols, Nolan, Osting, Peniston, Qualls, Ray, Rayburn, Render, Reynolds, Roberts, Slusher, J. D. Smith, Virgil Smith, Stacy, Stidham, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White, Young. Nays 0. **HB 471** was passed and the title agreed to.

The Speaker resumed the Chair.

HR 95 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 63—Alexander, Barton, Bates, Brizendine, Buckman, C. C. Carter, Earl Carter, Castle, Childress, Chumbler, Clark, Cole, Cook, Paul Cornett, Cottengim, Crecelius, Davis, Denham, Dobyns, Dowell, Edmunds, Ellis, Fern, Fields, Fitzpatrick, Ford, Garner, Haley, Hardin, Harris, Hays, Hinkle, Hislope, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Miles, Moloney, Fred Morgan, L. F. Morgan, Nichols, Nolan, Osting, Peniston, Qualls, Ray, Render, Reynolds, Roberts, Robinson, J. D. Smith, Virgil Smith, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White, Young. Nays 0. **HR 95** was passed and the title agreed to.

HB 163 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Moloney moved to amend **HB 163** as follows: "Amend printed copy of House Bill 163 on page 2, section 4, Lines 16 and 17 by striking both lines and substituting in lieu thereof the following: "(7) To make an annual report to the Governor of its activities under this Act." Agreed.

On the roll call, the vote was yeas 42—Bates, Buckman, C. C. Carter, Earl Carter, Castle, Caudill, Childress, Cook, Paul Cornett, Cottengim, Dobyns, Fern, Fields, Fitzpatrick, Garner, Haley, Henry, Hinkle, Hopkins, Isler, Miles, Moloney, Moorman, Fred Morgan, L. F. Morgan, Neel, Nolan, Osting, Peniston, Qualls, Ray, Rayburn, Render, Reynolds, Roberts, Robinson, J. D. Smith, Virgil Smith, Stacy, Stidham, Summe, Tucker. Nays 11—Barton, Chumbler, Clark, Crecelius, Edmunds, Ellis, Hardin, Lankford, Lovins, Lyon, Young. **HB 163** was defeated.

Representative Ray moved to lay **HB 163** on the Clerk's Desk. Agreed.

HB 357 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Repre-

sentative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 55—Alexander, Barton, Buckman, C. C. Carter, Earl Carter, Castle, Childress, Chumbler, Cole, Colley, Cottengim, Crecelius, Davis, Dobyns, Dowell, Ellis, Fern, Fields, Fitzpatrick, Hahn, Haley, Hall, Hardin, Harris, Hinkle, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, C. H. Martin, Miles, Moorman, L. F. Morgan, Murphy, Nichols, Nolan, Osting, Peniston, Qualls, Ray, Rayburn, Render, Roberts, Robinson, Slusher, J. D. Smith, Virgil Smith, Stacy, Stidham, Summe, Tucker, G. T. White, J. E. White. Nays 1—Denham. **HB 357** was passed and the title agreed to.

HB 344 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 61—Alexander, Barton, Buckman, Earl Carter, Childress, Chumbler, Cole, Colley, Paul Cornett, Cottengim, Crecelius, Davis, Denham, Dobyns, Dowell, Ellis, Fern, Fields, Fitzpatrick, Garner, Hahn, Haley, Hall, Hampton, Hardin, Harris, Henry, Hinkle, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, C. H. Martin, Miles, Moorman, Fred Morgan, L. F. Morgan, Murphy, Nichols, Nolan, Osting, Peniston, Ray, Rayburn, Render, Roberts, Robinson, Slusher, J. D. Smith, Virgil Smith, Spurrier, Stacy, Stidham, Summe, Treas, Tucker, G. T. White, J. E. White, Young. Nays 0. **HB 344** was passed and the title agreed to.

HB 267 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Ray moved to adopt Committee Substitute to **HB 267**. Agreed.

On the roll call, the vote was yeas 54—Barton, Buckman, Earl Carter, Castle, Childress, Chumbler, Colley, Cook, Paul Cornett, Cowherd, Crecelius, Davis, Denham, Dobyns, Dowell, Edmunds, Ellis, Fern, Fields, Ford, Hahn, Haley, Hall, Hardin, Harris, Hays, Hinkle, Hopkins, Lankford, Lovins, Lyon, C. H. Martin, Miles, Moorman, L. F. Morgan, Murphy, Nichols, Nolan, Osting, Peniston, Qualls, Ray, Rayburn, Render, Reynolds, Robinson, Slusher, J. D. Smith, Spurrier, Stacy, Stidham, Tucker, G. T. White, J. E. White. Nays 5—Alexander, Garner, Henry, Fred Morgan, Summe. **HB 267** was passed and the title agreed to.

HB 481 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 54—Alexander, Barton, Earl Carter, Castle, Childress, Colley, Cook, Paul Cornett, Cottengim, Crecelius, Davis, Denham, Dobyns, Dowell, Edmunds, Ellis, Fern, Fields, Fitzpatrick, Ford, Garner, Hahn, Haley, Harris, Hays, Henry, Hinkle, Hopkins, Isler, Lovins, Lyon, Miles, Moorman, Fred Morgan, L. F. Morgan, Murphy, Nichols, Nolan, Osting, Peniston, Ray, Rayburn, Render, Roberts, Robinson, Slusher, Virgil Smith, Stacy, Summe, Treas, Tucker, G. T. White, J. E. White, Young. Nays 0. **HB 481** was passed and the title agreed to.

HB 287 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 55—Alexander, Barton, C. C. Carter, Earl Carter, Castle, Childress, Paul Cornett, Cottengim, Cowherd, Crecelius, Davis, Dobyns, Dowell, Edmunds, Ellis, Fern, Fields, Fitzpatrick, Ford, Hahn, Haley, Hall, Harris, Hays, Henry, Hinkle, Hopkins, Isler, Lovins, Lyon, Miles, Moorman, Fred Morgan, L. F. Morgan, Murphy, Nichols, Nolan, Osting, Peniston, Rayburn, Render, Roberts, Robinson, Slusher, J. D. Smith, Virgil Smith, Stacy, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White, Young. Nays 0. **HB 287** was passed and the title agreed to.

Report on Enrolled Bills

Committee on Enrollment reported that **SB 82** and **SB 118** had been examined and found correctly enrolled. **SB 82** and **SB 118** read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Governor.

Orders of the Day

HB 303 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 55—Alexander, Buckman, C. C. Carter, Earl Carter, Castle, Childress, Cole, Colley, Paul Cornett, Cottengim, Crecelius, Davis, Denham, Dobyns, Dowell, Edmunds, Ellis, Fields, Fitzpatrick, Garner, Hahn, Haley, Hardin, Harris, Hays, Henry, Hinkle, Hopkins, Isler, Lankford, Lyon, C. H. Martin, Moorman, L. F. Morgan, Murphy, Nichols, Nolan, Osting, Peniston, Qualls, Ray, Rayburn, Render, Robinson, J. D. Smith, Virgil Smith, Stacy, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White, Young. Nays 1—Hall. **HB 303** was passed and title agreed to.

HR 32 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time.

Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 59—Alexander, Buckman, C. C. Carter, Earl Carter, Childress, Cole, Colley, Paul Cornett, Cowherd, Crecelius, Davis, Dobyns, Dowell, Edmunds, Ellis, Fern, Fields, Fitzpatrick, Ford, Garner, Hahn, Haley, Hampton, Hardin, Harris, Hays, Henry, Hinkle, Hopkins, Lankford, Lovins, Lyon, C. H. Martin, Miles, Moorman, Fred Morgan, L. F. Morgan, Murphy, Nichols, Nolan, Osting, Peniston, Qualls, Ray, Rayburn, Render, Robinson, J. D. Smith, Virgil Smith, Spurrier, Stidham, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White, Young. Nays 0. **HR 32** was passed and title agreed to.

HB 442 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 56—Alexander, Barton, Buckman, C. C. Carter, Earl Carter, Castle, Childress, Cole, Colley, Paul Cornett, Cowherd, Crecelius, Davis, Denham, Dobyns, Dowell, Edmunds, Ellis, Fern, Fields, Fitzpatrick, Ford, Garner, Hahn, Haley, Hays, Hinkle, Hopkins, Isler, Lankford, Lovins, Lyon, Miles, Moorman, L. F. Morgan, Murphy, Nichols, Nolan, Peniston, Qualls, Ray, Rayburn, Render, Robinson, Slusher, J. D. Smith, Virgil Smith, Stacy, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White, Young. Nays 0. **HB 442** was passed and title agreed to.

HB 450 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 59—Alexander, Barton, Buckman, Earl Carter, Castle, Chumbler, Cole, Colley, Paul Cornett, Cowherd, Crecelius, Davis, Denham, Dobyns, Dowell, Edmunds, Ellis, Fern, Fields, Fitzpatrick, Ford, Garner, Haley, Hall, Hampton, Hardin, Harris, Hays, Henry, Hinkle, Hopkins, Irick, Isler, Lankford, Lyon, C. H. Martin, Miles, Moorman, L. F. Morgan, Murphy, Neel, Nichols, Osting, Peniston, Ray, Render, Roberts, Robinson, Slusher, Virgil Smith, Stacy, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White, Young. Nays 1—Hahn. **HB 450** was passed and title agreed to.

HB 392 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 59—Alexander, Barton, Buckman, Castle, Chumbler, Colley, Paul Cornett, Cowherd, Crecelius, Davis, Denham, Dobyns, Dowell, Edmunds, Ellis, Fern, Fields, Fitzpatrick, Ford, Hahn, Haley, Hall, Hampton, Hardin, Harris, Hays, Henry, Hinkle, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, C. H. Martin, Miles, Moorman, L. F. Morgan, Murphy, Nichols, Nolan, Osting, Peniston, Qualls, Ray, Render, Roberts, Robinson, Slusher, J. D. Smith, Virgil Smith, Stacy, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White, Young. Nays 0. **HB 392** was passed and title agreed to.

HB 351 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 57—Alexander, Barton, C. C. Carter, Earl Carter, Chumbler, Colley, Paul Cornett, Cowherd, Crecelius, Davis, Denham, Dobyns, Dowell, Edmunds, Ellis, Fern, Fields, Fitzpatrick, Ford, Hahn, Haley, Hampton, Hardin, Harris, Hays, Henry, Hinkle, Hopkins, Irick, Lankford, Lyon, C. H. Martin, Miles, Moorman, Fred Morgan, L. F. Morgan, Nolan, Osting, Peniston, Qualls, Ray, Rayburn, Render, Roberts, Robinson, Slusher, Virgil Smith, Stacy, Stidham, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White, Young. Nays 3—Garner, Hall, Isler. **HB 351** was passed and title agreed to.

HB 375 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 59—Barton, Earl Carter, Castle, Childress, Chumbler, Colley, Paul Cornett, Cowherd, Crecelius, Davis, Denham, Dobyns, Dowell, Edmunds, Ellis, Fern, Fitzpatrick, Ford, Garner, Hahn, Hampton, Hardin, Hays, Henry, Hinkle, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Miles, Moorman, Fred Morgan, L. F. Morgan, Murphy, Nichols, Nolan, Osting, Peniston, Qualls, Ray, Rayburn, Render, Roberts, Robinson, Slusher, J. D. Smith, Virgil Smith, Spurrier, Stacy, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White, Young. Nays 0. **HB 375** was passed and title agreed to.

HB 476 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 45—Barton, Earl Carter, Childress, Colley, Cowherd, Crecelius, Davis, Dobyns, Dowell, Ellis, Fern, Fields, Fitzpatrick, Ford, Garner, Haley, Hall, Hardin, Hays, Hinkle, Hopkins, Irick, Isler, Lankford, Lyon, Miles, Moorman, L. F. Morgan, Nichols, Nolan, Osting, Peniston, Ray, Rayburn, Render, Roberts, Robinson, Virgil Smith, Spurrier, Stacy, Summe, Tanner, Treas, Tucker, Young. Nays 4—C. C. Carter, Cornett, Denham, and Hahn. **HB 476** was passed and the title agreed to.

HB 464 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 61—Alexander, Barton, C. C. Carter, Earl Carter, Castle, Childress, Chumbler, Colley, Paul Cornett, Cowherd, Crecelius, Davis, Denham, Dobyns, Dowell, Edmunds, Ellis, Fern, Fields, Fitzpatrick, Ford, Garner, Hahn, Haley, Hall, Hampton, Hardin, Hays, Henry, Hinkle, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Miles, Moorman, Fred Morgan, L. F. Morgan, Murphy, Nichols, Nolan, Osting, Peniston, Qualls, Ray, Rayburn, Renders, Roberts, Robinson, Slusher, Virgil Smith, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White, Young. Nays 0. **HB 464** was passed and title agreed to.

Representative Ray moved that **HB 280** be laid on the Clerk's Desk. Agreed.

Introduction of Bills

HB 513, by Representative Moorman: AN ACT relating to the sale of products of prison labor.

HB 514, by Representative Robinson: AN ACT changing the classification of the City of Hindman in Knott County.

HB 515, by Representative Hinkle: AN ACT relating to education.

HB 516, by Representative Ray: AN ACT relating to facsimile signatures and seals on certain public securities, amending KRS 61.390.

HB 517, by Representative Ray: AN ACT relating to insurance on school motor vehicles.

HB 518, by Representative Ray: AN ACT relating to the Board of Trustees of the University of Kentucky, amending Sections 164.130 and 164.170 of the Kentucky Revised Statutes, and declaring an emergency.

HB 519, by Representative Ray: AN ACT relating to fees for certificates of school employes.

HB 520, by Representative Ray: AN ACT relating to electric revenue bonds and other obligations issued by the Tennessee Valley Authority and declaring them to be authorized investments.

HB 521, by Representative Ray: AN ACT relating to textbook adoptions and purchases and the listing and purchase of textbooks for pupils with impaired vision.

HB 522, by Representative Ray: AN ACT relating to speed limits on limited access highways.

HB 523, by Representative Ray: AN ACT relating to insurance.

HB 524, by Representative Cook: AN ACT relating to a merged school district in counties containing a city of the first class, and relating to the board of education, operation, taxes and finances of said district.

HB 525, by Representative Cook: AN ACT relating to a merged school district in counties containing a city of the first class, and relating to the board of education, operation, taxes and finances of said district.

HB 526, by Representative Ray: AN ACT relating to unemployment insurance.

HB 527, by Representative Ray: AN ACT relating to an insurance fund for certain boards of education.

HB 528, by Representative Ray: AN ACT relating to the purchase and distribution of high school textbooks.

HB 529, by Representative Ray: AN ACT relating to bonds of state officers and employes.

HR 105, by Representative Ray: A JOINT RESOLUTION authorizing and directing the Legislative Research Commission to make a study of the laws relating to planning and zoning.

Representative Ray moved to adjourn until 1:00 P.M., March 10. Agreed.

FIFTY-THIRD LEGISLATIVE DAY

THURSDAY, MARCH 10, 1960

The House was called to order by the Speaker.

Invocation by the Reverend J. Carter Roberts of the Church of the Nazarene of Frankfort.

The roll was called. All present except Representatives Hardwick, Houtchens, Parrish and Reynolds, who were granted leave of absence on motion by Representative Lyon.

Reading of the Journal for March 9, 1960, dispensed with and the same approved on Motion of Representative Isler.

Introduction of Resolutions

HR 111, by Representative Cottengim:

HR 111, A RESOLUTION adjoining in memory of Charles "Buck" Spencer.

WHEREAS, the House of Representatives has just received word of the death of Mr. Charles "Buck" Spencer; and

WHEREAS, during the seventy-four years of his lifetime Mr. Spencer was beloved by his neighbors, widely known for his wit and affability, and staunchly supported the Democratic Party;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That when the House of Representatives adjourns this day, it does so in memory of Mr. Charles "Buck" Spencer.

Section 2. That the Clerk of the House of Representatives be directed to forward a copy of this Resolution to the family of Mr. Spencer.

Representative Cottengim moved the adoption of **HR 111.** Agreed.

Representative White moved to adopt **SR 48.** Agreed.

SR 48. A CONCURRENT RESOLUTION "Requesting" the establishment of a state park in Edmonson County.

WHEREAS, the United States Government is in the process of building a dam across Nolin River in Edmonson County; and

WHEREAS, it is anticipated that when this dam shall have been completed the lake formed thereby will be very attractive to great numbers of tourists and sportsmen for the fishing and other sports and recreation; and

WHEREAS, the location of the dam and lake is ideal for the purpose of a state park with a hotel and other recreation facilities; and

WHEREAS, the lake created by the dam will cover a large part of Edmonson County, including good bottom land, and will cause a loss of tax revenue which Edmonson County can ill afford; and

WHEREAS, there is presently no state park located in Allen County;

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky, the House of Representatives concurring therein:

That the Division of Parks in the Department of Conservation be, and it hereby is, requested to take all necessary steps to establish a state park in Edmonson County at the site of the lake now being formed by the construction of a dam by the United States Government.

HR 114, by Representatives Osborn, Render, Steiger, Baumgardner, Miller, Clark, Hays, Osting, C. C. Carter, Denham, Brizendine, Edmunds, Crecelius, Hinkle:

HR 114, A RESOLUTION commending the Louisville and Nashville Railroad Company for its rescue of persons stranded by the snowstorm on March 9, 1960 and the Governor for his prompt action in the emergency.

WHEREAS, several hundred students and fans of Western Kentucky State College were stranded in the vicinity of Munfordville while returning to Bowling Green from Lexington where they had witnessed a basketball game; and

WHEREAS, due to a heavy snow fall their buses and automobiles could no longer traverse the highways; and

WHEREAS, the Governor of this Commonwealth requested aid and the Louisville and Nashville Railroad Company responded by sending a special train to the area in order to pick up the stranded persons and take them to their destination; and

WHEREAS, without the prompt action of the Railroad Company and the Governor serious consequences would have resulted; and

WHEREAS, the Railroad Company acted without thought of compensation but rather in the finest traditions of public service in times of emergency;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That the Louisville and Nashville Railroad Company and the Governor of this Commonwealth be and they hereby are commended for their prompt action in the rescue of the persons stranded by the snow storm on March 9, 1960.

Representative Osborn moved the adoption of **HR 114.** Agreed.

Representative Young moved to recommit **HB 457.**

On the roll call, the vote was Yeas 28—Alexander, Brizendine, Burress, C. C. Carter, Clark, Cowherd, Denham, Dobyns, Ellis, Faulkner, Fields, Ford, Griffin, Hall, Hampton, Harris, Hays, Henry, Fred Morgan, L. F. Morgan, Roberts, Spurrier, Steiger, Tucker, G. T. White, J. E. White, Young. Nays 43 – Bates, Baumgardner, Castle, Childress, Cole, Colley, Cottengim, Crecelius, Dexter, Edmunds, Fern, Fitzpatrick, Garner, Hahn, Haley, Hardin, Hislope, Hopkins, Irick, Isler, Lyon, C. H. Martin, Miles, Miller, Moloney, Murphy, Neel, Nichols, Nolan, Osting, Peniston, Qualls, Quinn, Raush, Ray, Rayburn, Render, Robinson, A. C. Smith, J. D. Smith, Stacy, Stidham, Summe, Wathen. The motion to recommit **HB 457** was rejected.

Representative Cottengim moved that **HB 457** be taken from the Orders of the Day and ordered read at length for the third time. Agreed. Representative Cottengim moved that it be read by title only. Agreed by a majority of members elected.

Representative Lowman moved to amend **HB 457** as follows:

Amend printed copy of HB 457 on page 16, section 11, by deleting the entire section and substituting therefor the following:

"Section 11. Section 342.122 of the Kentucky Revised Statutes is amended to read as follows:

(1) In addition to the taxes and assessments imposed by KRS 342.450 and 342.475, a Subsequent Claim Fund Tax at the rate of three-fourths of one percent of the amount of premiums received shall be paid by every insurance carrier as defined in KRS 342.445, subject to the credits therein set out, and the board shall assess against the payrolls of every employer carrying his own risk a Subsequent Claim Fund Tax computed by taking three-fourths of one percent of the basic premiums determined as provided in KRS 342.475. The provisions of KRS 342.450, 342.455, 342.460, 342.465 and 342.470 shall, so far as applicable, also apply to the levy and collection of such additional tax of three-fourths of one percent of such premiums of insurance carriers.

(2) All taxes and assessments imposed by subsection (1) of this section shall be paid into the State Treasury and shall be credited to the Subsequent Claim Fund for the board, which fund shall be used

only for the payment of awards of compensation made by the board and chargeable against said fund, expenses of legal representation thereof, fees and expenses of the physicians in connection therewith, and shall be withdrawn for that purpose under the supervision of the Commissioner of Industrial Relations.

(3) Any sum remaining in the Subsequent Claim Fund to the credit of the Workmen's Compensation Board at the end of any fiscal year shall be set up by the Department of Finance to the credit of the Board in such funds for the next ensuing fiscal year.

(4) If the amount to the credit of the Subsequent Claim Fund as of June 30 of any year exceeds $200,000, the tax of three-fourths of one percent upon insurance premiums provided for under subsection (1) of this section and the three-fourths of one percent assessment upon employers carrying their own risk provided for under subsection (1) of this section shall not be assessed or collected during the ensuing year.

(5) If the Commissioner of Industrial Relations finds that the Subsequent Claim Fund tax levied pursuant to this section is insufficient to pay such claims awarded under the Subsequent Claim Fund provisions, then he may levy an additional assessment against all insurance companies writing Workmen's Compensation insurance in Kentucky, including every employer carrying his own risk, for an amount not to exceed $100,000. The amount of each insurance company's assessment shall be in proportion that each company's annual Workmen's Compensation premium writings in Kentucky bears to the total of all annual Workmen's Compensation premiums written in Kentucky. Such assessment will be based upon information contained in the insurance company's last filed annual statement with the Department of Insurance. Such assessments against every employer carrying his own risk will be based upon what the premium would have been were the coverage carried with insurance companies. Payroll information filed with the Department of Industrial Relations will be the basis of such determination.

(6) The fund heretofore designated as the Subsequent Injury Fund is abolished and there is substituted therefor the Subsequent Claim Fund as herein set out and all monies and properties owned by the Subsequent Injury Fund are transferred to the Subsequent Claim Fund.

Representative Brizendine moved that **HB 457** lay on the Clerk's desk until members are conversant with the amendment.

On the roll call, the vote was yeas 39—Alexander, Brizendine, Burress, C. C. Carter, Caudill, Clark, Cook, Cowherd, Dean, Denham, Dobyns, Ellis, Faulkner, Fern, Fields, Ford, Garner, Griffin, Hall, Hampton, Harris, Hays, Hinkle, Hislope, Hopkins, Lankford, Fred

Morgan, L. F. Morgan, Osborn, Roberts, Slusher, A. C. Smith, Steiger, Summe, Treas, Tucker, G. T. White, J. E. White, Young. Nays 40—Bates, Baumgardner, Castle, Childress, Cole, Colley, Cottengim, Crecelius, Dexter, Farmer, Fitzpatrick, Hahn, Haley, Irick, Isler, Lyon, Ben Martin, Miles, Miller, Moloney, Moorman, Murphy, Neel, Nichols, Nolan, Ostertag, Osting, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Robinson, J. D. Smith, Spurrier, Stacy, Stidham, Wathen. The motion to lay **HB 457** on the Clerk's desk was rejected.

Representative Ray moved the adoption of the amendment previously offered by Representative Lowman. Agreed.

Representative Lowman moved to amend HB 457 as follows: "Amend printed copy of HB 457 on page 26, Section 17, lines 1-9. By deleting Section 17 in its entirety." Representative Brizendine moved to lay the amendment on the Clerk's desk.

On the roll call, the vote was yeas 38—Alexander, Brizendine, Burress, C. C. Carter, Earl Carter, Caudill, Clark, Cook, Paul Cornett, Cowherd, Dean, Denham, Dobyns, Ellis, Faulkner, Fields, Ford, Garner, Griffin, Hall, Hampton, Hardwick, Harris, Hays, Hinkle, Hislope, Fred Morgan, L. F. Morgan, Roberts, Slusher, A. C. Smith, Steiger, Summe, Treas, Tucker, G. T. White, J. E. White, Young. Nays 44—Barton, Bates, Baumgardner, Castle, Childress, Cole, Colley, Cottengim, Crecelius, Dexter, Farmer, Fern, Fitzpatrick, Hahn, Haley, Hardin, Hopkins, Irick, Isler, Lyon, Ben Martin, Miles, Miller, Moloney, Moorman, Murphy, Neel, Nichols, Nolan, Ostertag, Osting, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Robinson, J. D. Smith, Spurrier, Stacy, Stidham, Wathen. The motion to lay the amendment to **HB 457** on the clerk's desk was rejected.

Representative Ray moved the adoption of the amendment previously offered by Representative Lowman. Agreed.

Senate Message

Announcing passage of **SR 54, SB 72, SB 73, SB 74, SB 75, SB 88, SB 116, SB 214, SB 230, SB 235, SB 238, SB 244, SB 247, HR 63, HB 162, HB 207, HB 216, HB 232.**

Orders of the Day

Representative Ray moved to amend **HB 457** as follows: "Amend printed copy of **HB 457** on page 11, Section 7, line 26. By adding after the word "shall" the word "not". Agreed. Representative Ray moved to amend **HB 457** as follows: "Amend printed copy of **HB 457** on page 14, section 9 (5), line 52 by adding the word "Awards" the following sentence: "The employment or re-employment contemplated herein shall be at wages equal to or greater than the employe was receiving before the traumatic injury by accident." Agreed. Representative Ray moved to amend **HB 457** as follows: "Amend printed copy of **HB 457** on page 26, section 18, line 4 to read as follows: "On June 30th of any year exceeds $300,000.00 neither the tax". Agreed.

On the roll call, the vote was yeas 58—Barton, Bates, Baumgardner, Buckman, Castle, Caudill, Childress, Chumbler, Cole, Colley, Cook, Cottengim, Crecelius, Dexter, Dobyns, Edmunds, Farmer, Fern, Fields, Fitzpatrick, Ford, Hahn, Hardin, Harris, Hill, Hopkins, Irick, Isler, Lankford, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, Murphy, Neel, Nichols, Nolan, Ostertag, Osting, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Robinson, J. D. Smith, Virgil Smith, Spurrier, Stacy, Stidham, Tanner, Treas, Wathen. Nays 28 – Alxeander, Brizendine, Burress, Charles C. Carter, Earl Carter, Clark, Cornett, Cowherd, Dean, Ellis, Faulkner, Garner, Griffin, Haley, Hall, Hampton, Hays, Hinkle, Hislope, L. F. Morgan, Peniston, Roberts, A. C. Smith, Steiger, Summe, Tucker, G. T. White, Young. **HB 457** was passed and the title agreed to.

Report on Enrolled Bills

Committee on Enrollment reported **HB 273, HB 211, HB 244, HB 64** and **HR 21**, have been examined and found correctly enrolled. **HB 273, HB 211, HB 244, HB 64,** and **HR 21** read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 273, HB 211, HB 244, HB 64 and **HR 21** delivered, signed by President of the Senate. Ordered delivered to the Governor.

Report of Committee

Committee on Rules repotred **SR 38, HB 422, HB 472, HB 516, HB 517, HB 518, HB 519, HB 520, HB 521, HB 522, HB 523, HB 526, HB 529, SB 132, SB 153, HB 500, HB 513, HB 490, HB 462, HB 405, HR 80, SB 93, HB 228, SB 40, HB 433, SB 72, SB 73, SB 74, SB 75,** and **SB 247** with the expression of the opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SR 38, A CONCURRENT RESOLUTION memorializing Congress to reduce the tatx rate on cigarettes by fifty cents per thousand cigarettes.

WHEREAS, the tax now imposed on cigarettes is at a rate which does not foster the sale of cigarettes;

WHEREAS, tobacco is an important product in the agricultural economy of the Commonwealth of Kentucky; and

WHEREAS, tobacco grown in Kentucky constitutes a large percentage of the tobacco used in cigarettes;

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That the Congress be memorialized and is requested to reduce the tax rate imposed on cigarettes by fifty cents per thousand cigarettes.

Section 2. That the Clerk be directed to send a copy of this Resolution to each member of Congress from Kentucky.

HB 422, AN ACT relating to County Treasurers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 68.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) The county treasurer shall receive and receipt for all money due the county from its collecting officers or from any other person whose duty it is to pay money into the county treasury, and shall hold such money subject to the order of the fiscal court. He shall not disburse any money received by him for any purpose other than that for which it was collected and paid over to him, and when he pays out money he sall take a receipt therefor.

(2) He may, and when directed by the fiscal court shall, institute actions in the name of the county against all delinquent sheriffs or collectors of the county, and against any one having money belonging to the county who fails or refuses to pay it over on demand when due. He shall keep a record of all actions he is directed to institute on behalf of the county, showing their condition and the money collected thereunder.

(3) He shall keep an accurate detailed account of all money received and disbursed by him for the county, and shall keep books of accounts of the financial transactions of the county in the manner required by any uniform system of accounting prescribed by the Department of Revenue.

(4) He shall keep his office at the county seat, in a room or rooms provided by the fiscal court. He shall keep his office open for the collection of money at all reasonable times, except on Sundays and legal holidays.

(5) The county treasurer shall, when required by the fiscal court, settle his accounts as county treasurer, and within thirty days after the close of each fiscal year, he shall make a full and complete settlement for the preceding fiscal year with the fiscal court or with a person or persons whom the fiscal court, by order of record, appoints to make settlement with him. In case of a vacancy, the county judge shall call a special term which shall proceed in the manner it deems proper to settle the accounts of the county treasurer.

HB 472, AN ACT relating to workmen's compensation coverage for members of the Kentucky National Guard.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The Department of Military Affairs shall have the power to accept the provisions of KRS Chapter 342 for the benefit of members of the Kentucky National Guard while such members are on active state service.

HB 516, AN ACT relating to facsimile signatures and seals on certain public securities, amending KRS 61.390.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 61.390 is amended to read as follows:

(1) Any bonds heretofore or hereafter authorized to be issued by any unit under the provisions of any law heretofore or hereafter enacted and any interest coupons attached thereto may, if so authorized by the governing body of such unit, bear or be executed with the facsimile signature of any official authorized by such law to sign or to execute such bonds or coupons; provided, however, that each such bond shall be manually signed by at least one official of such unit. In case any such law shall provide for the sealing of such bonds with the official or corporate seal of such unit or of its governing body or any official thereof, a facsimile of such seal may be imprinted on the bonds if so authorized by the governing body of such unit, and it shall not be necessary in such case to impress such seal physically upon such bonds.

(2) In case any officer whose signature or a facsimile of whose signature shall appear on any bonds or coupons shall cease **to be such** officer before the delivery of such bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the

same as if he had remained in office until such delivery, and any bond may bear the facsimile signature of, or may be signed by, such persons as at the actual time of the execution of such bond shall be the proper officers to sign such bond although at the date of such bond such persons may not have been such officers.

(3) The words "public securities" as used herein shall mean bonds, notes or other obligations for the payment of money issued by this State, by its political subdivisions, or by any department, agency or other instrumentality of this State or of any of its political subdivisions.

(4) This section shall not repeal any other law authorizing the execution of public securities with facsimile signatures or seals.

HB 517, AN ACT relating to insurance on school motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 160.310 of the Kentucky Revised Statutes is amended to read as follows:

Each board of education may set aside funds to provide for liability and indemnity insurance against the negligence of the drivers or operators of school busses, other motor vehicles, and mobile equipment owned or operated by the board. If the transportation of pupils is let out under contract, the contract shall require the contractor to carry indemnity or liability insurance against negligence in such amount as the board designates. In either case the indemnity bond or insurance policy shall be issued by some surety or insurance company authorized to transact business in this State, and shall bind the company to pay any final judgment not to exceed the limits of the policy rendered against the insured for loss or damage to property of any school child or death or injury of any school child or other person.

HB 518, AN ACT relating to the Board of Trustees of the University of Kentucky, amending Sections 164.130 and 164.170 of the Kentucky Revised Statutes, and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 164.130 of the Kentucky Revised Statutes is amended to read as follows:

(1) The government of the University of Kentucky is vested in a Board of Trustees consisting of the Governor, who shall be Chairman of the Board, the Superintendent of Public Instruction, the Commissioner of Agriculture, Labor and Statistics, twelve competent citizens of Kentucky appointed by the Governor, and two non-voting

members of the teaching faculty of the University of Kentucky. The terms of appointed members shall be for four years and until their successors are appointed and qualify. Three of the twelve appointed members shall be appointed each year. Three of the appointed members shall be representative of agricultural interests, three shall be alumni of the University and six shall be other distinguished citizens of the state representative of the learned professions. The Governor shall so make the appointments as to divide the representation upon the board, including the ex officio members, as nearly equally as possible between the two leading political parties of this state. Appointments to fill vacancies shall be made for the unexpired term in the same manner as provided for original appointments.

(2) The non-voting faculty members shall be teaching or research members of the faculty of the University of Kentucky of the rank of assistant professor or above. They shall be elected by secret ballot by all faculty members of the University of the rank of assistant professor and above. Faculty members shall serve for terms of three years and until their successors are elected and qualify, except that of the first two members elected one shall serve for a term of two years and one for a term of three years. Faculty members shall be eligible for re-election, but they shall be ineligible to continue to serve as members of the Board of Trustees if they cease to be members of the teaching staff of the University. Elections to fill vacancies shall be for the unexpired term in the same manner as provided for original elections.

(3) No member of the Board of Trustees shall be directly or indirectly interested in any contract with the University for the sale of property, materials, supplies, equipment or services, with exception of compensation to the two faculty members.

Section 2. Section 164.170 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Board of Trustees of the University shall meet on Tuesday preceding the regular annual commencement of the University, on the third Tuesday in September, on the second Tuesday in December, and on the first Tuesday in April of each year. Special meetings may be called by the Chairman or by any three members upon giving ten days' written notice to each member of the Board of Trustees. The business to be transacted at special meetings shall be specified in the notice of the meeting. All meetings shall be held on the campus of the University unless otherwise specified by a majority vote of the Board of Trustees. A majority of the voting members of the Board of Trustees shall constitute a quorum. All necessary expenses incurred by the trustees in going to, returning from and while attending meetings of the Board of Trustees shall be paid out of the funds of the University.

(2) The meetings of the Board of Trustees shall be open to the public. The Board of Trustees shall cause a stenographic transcript of each of its meetings to be prepared and filed. An agenda for each of the meetings shall be sent to each member of the Board of Trustees and a copy thereof made available to the press.

Section 3. An emergency is hereby declared to exist and this Act shall become effective when passed and approved.

HB 519, AN ACT relating to fees for certificates of school employes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 161.130 of the Kentucky Revised Statutes is hereby repealed.

HB 520, AN ACT relating to electric revenue bonds and other obligations issued by the Tennessee Valley Authority and declaring them to be authorized investments.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 386.040 of the Kentucky Revised Statutes is amended to read as follows:

Notes or bonds secured by mortgage or trust deed insured and debentures issued by the Federal Housing Administrator, debentures issued by National Mortgage Associations, and any electric revenue bonds or other obligations issued by the Tennessee Valley Authority, are eligible securities for the purpose, wherever the statutes of this state require, of:

(1) Collateral as security for the deposit of public or other funds;

(2) Deposits to be made with any public official or department;

(3) Investment of capital or surplus; or

(4) A reserve or other fund to be maintained consisting of designated securities.

Section 2. Section 386.050 of the Kentucky Revised Statutes is amended to read as follows:

(1) This state and all public officers, cities, political subdivisions and public bodies, all banks, trust companies, savings institutions, building and loan associations, savings and loan associations, invest-

ment companies and other persons carrying on a banking business, all insurance companies, and other persons carrying on an insurance business and all fiduciaries may legally invest any sinking funds, monies or other funds belonging to them or within their control in any bonds or other obligations issued by a housing commission pursuant to the Municipal Housing Commission Act or the Rural Housing Commission Act, and any additional amendments thereto, or issued by any public housing authority or agency in the United States, when these bonds or other obligations are secured by a pledge of annual contributions to be paid by the United States or any agency thereof, or in any electric revenue bonds or other obligations issued by the Tennessee Valley Authority.

(2) These bonds and other obligations shall be authorized security for all public deposits and shall be fully negotiable in this state.

(3) Nothing in this section with regard to legal investments shall relieve any individual or corporation from any duty of exercising reasonable care in selecting securities.

(4) Any county, municipality or other taxing district may legally invest its sinking funds, money or other funds belonging to it or within its control in United States Defense Bonds or any other bonds or obligations for the payment of which the faith and credit of the United States Government is pledged.

HB 521, AN ACT relating to textbook adoptions and purchases and the listing and purchase of textbooks for pupils with impaired vision.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) This Act accords the same rights and privileges to the Model and Practice Schools of the Morehead State College, the Eastern Kentucky State College, the Western Kentucky State College, the Murray State College, the Kentucky State College, and the University of Kentucky that are granted to the county and independent school districts as to textbook adoptions and purchases. The Board of Regents of the five State Colleges and the Board of Trustees of the University of Kentucky, upon the recommendations of their Presidents, may make textbook adoptions from the State Multiple List of Textbooks, as approved and listed by the State Textbook Commission. All regulations of the State Board of Education and the statutory laws, which are applicable to textbook adoptions by the county and independent school districts, shall apply to textbook adoptions for the Model and Practice Schools.

(2) The Superintendent of Public Instruction, subject to the approval of the State Board of Education, shall purchase from the publishers whose books have been adopted for use in the Model and Practice Schools and distribute them without cost to the pupils enrolled in grades one through eight. All regulations of the State Board of Education and statutory laws, which are applicable to the purchase and distribution of free textbooks for and to the pupils attending the free public schools in the county and independent school districts in grades one through eight, shall apply to the purchase and distribution of free textbooks for and to the pupils attending the Model and Practice Schools in grades one through eight.

Section 2. (1) The State Board of Education, upon the recommendation of the Superintendent of Public Instruction, shall have the authority to prescribe the conditions whereby a school district may make multiple textbook adoptions for the different school subjects by grades. The school district shall make application to the Superintendent of Public Instruction for permission to make multiple textbook adoptions. The Superintendent of Public Instruction shall make or have made an adequate study to evaluate the district's conditions. If in his judgment the prevailing conditions within the school district warrant multiple textbook adoptions, the State Board of Education, upon the recommendation of the Superintendent of Public Instruction, may grant the school district permission to make such textbook adoptions from the State Multiple List of Textbooks as approved and listed by the State Textbook Commission.

(2) The State Board of Education, upon the recommendation of the Superintendent of Public Instruction, shall have the authority to prescribe the rules and regulations to govern the purchase of the multiple-adopted textbooks for the school district. The Superintendent of Public Instruction, subject to the approval of the State Board of Education, may purchase the textbooks from the publishers whose books have been adopted by the school district for grades one through eight and distribute them without cost to the pupils attending the free public schools in the school district.

Section 3. The State Board of Education, upon the recommendation of the Superintendent of Public Instruction, may select and approve a list of suitable textbooks and other materials printed in clear type of 18 to 24 points in the different subject areas for children with impaired vision who are attending the free public schools of the Commonwealth of Kentucky in grades one through twelve. The listing of such textbooks and materials shall not be subject to the official textbook bids, filing fees, textbook sampling, and the stipulated list prices, lowest wholesale prices, exchange prices, and the standards and specifications required for the textbooks approved and listed by the State Textbook Commission for regular use by the pupils attending the free public schools of the State of Kentucky. The State Board of Education, upon the recommendation of the Superintendent of Public Instruction, shall have the authority to prescribe rules and regulations for determining the pupils eligible for such books, the number of books to be purchased, and the general administration of the program. The Superintendent of Public Instruction, subject to the approval of the State Board of Education, may purchase these books from the approved State List of Books from the publishers whose books have been listed by the State Board of Education and distribute them without cost to the pupils with impaired vision attending the free public schools of the State. All textbooks purchased under this Act for the pupils with impaired vision are the property of the State.

HB 522, AN ACT relating to speed limits on limited access highways.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Notwithstanding the provisions of KRS 189.390, the Commissioner of Highways may establish the following speed limits on limited access facilities as defined in KRS 177.220:

(1) For all vehicles other than motor trucks and semitrailer trucks, seventy miles per hour during the daytime and sixty miles per hour during the nighttime.

(2) For motor trucks and semitrailer trucks, sixty miles per hour during the daytime and fifty miles per hour during the nighttime.

HB 523, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 56.100 of the Kentucky Revised Statutes is amended to read as follows:

Each fiscal year the State Treasurer shall deduct from any funds in his hands payable to an agency for the care and maintenance of public buildings or property, an amount equal to the premiums certified to him as chargeable against that agency. The amount so debited shall be credited to an account kept by the State Treasurer and known as the State Fire and Tornado Insurance Fund. No premium shall be charged on any one subject of risk upon a valuation of more than three hundred thousand dollars unless the Department of Insurance has contracted for reinsurance that limits the liability of the fund to three hundred thousand dollars upon such subject of risk.

Section 2. Section 56.120 of the Kentucky Revised Statutes is amended to read as follows:

When the amount of damage has been determined, the State Treasurer shall debit the account of the State Fire and Tornado Insurance Fund by that amount and credit with an equal amount the account of the agency that has control or custody of the property damaged, and upon warrant from the Department of Finance the Treasurer shall pay to the agency the amount so credited to it, for the purpose of repairing the damage or reconstructing or replacing the damaged or destroyed property. If the agency deems it impracticable or undesirable to use the money for repair, reconstruction or replacement of the property damaged or destroyed, it may, with the approval of the Department of Finance, and subject to the provisions of KRS 56.490, expend said funds for the acquisition, repair, construction or reconstruction of property similar to the property damaged or destroyed. No debit, credit, or payment made on account of the damage to any one subject of risk, by any one loss, shall be in excess of three hundred thousand dollars, unless the Department of Insurance has effected reinsurance upon the subject of risk such as to the limit of liability of the State Fire and Tornado Insurance Fund to three hundred thousand dollars, and unless the excess over this amount has actually been paid into the fund by the reinsuring company or companies.

Section 3. Section 56.160 of the Kentucky Revised Statutes is amended to read as follows:

With the approval of the Department of Finance, the Department of Insurance may contract with any responsible fire and tornado insurance or reinsurance company authorized to do business in Kentucky to reinsure any subject of risk of which the total valuation has been fixed at over three hundred thousand dollars in such a way as to limit the net liability of the State Fire and Tornado Insurance Fund with respect to such subject of risk to three hundred thousand dollars. The premium for reinsurance shall be paid out of the State Fire and Tornado Insurance Fund, on warrant of the Department of Finance.

HB 526, AN ACT relating to unemployment insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 341.070 of the Kentucky Revised Statutes is amended to read as follows:

Subject employer. As used in this chapter, unless the context clearly requires otherwise, "subject employer" means:

(1) Any employing unit which, in each of three calendar quarters in the preceding calendar year, had in covered employment

four or more workers (whether or not the same workers), to as many as four of whom at least fifty dollars in wages was payable to each with respect to such covered employment in each such quarter.

(2) Any employing unit which for some portion of a day (but not necessarily simultaneously) in each of twenty different weeks (whether or not such weeks are consecutive) within either the current or the preceding calendar year, has or had in covered employment four or more workers (whether the same workers are or were employed in each such day).

(3) Any employing unit that succeeds to the organization, trade or business of another employing unit which at the time of such succession is a subject employer; and any employing unit which succeeds to the organization, trade, or business of any previously separate portion of another employing unit, which portion, if treated as a separate employing unit, would be, at the time of the succession, a subject employer under subsections (1) or (2) of this section.

(4) Any employing unit that succeeds to any of the assets of a subject employer's business by any means whatever, otherwise than in the ordinary course of trade, is a subject employer if:

(a) The transferee has continued or resumed the business of the transferor, either in the same establishment or elsewhere; and

(b) The transferee has employed substantially the same workers as those the transferor had employed in connection with the assets acquired; and

(c) The transferee has acquired a previously separate portion of the transferor's assets, which portion, if treated as a separate employing unit, would be, at the time of the succession, a subject employer under subsections (1) or (2) of this section.

(5) Any other employing unit which has elected to become subject to this chapter, pursuant to subsection (3) of KRS 341.250.

(6) Any employing unit which has in covered employment within this state workers subject to the Federal Unemployment Tax Act.

(7) Any employing unit which acquires the organization, trade, or business, or substantially all of the assets thereof, of another employing unit, if the covered employment of such employing unit subsequent to such acquisition, together with the covered employment of the acquired unit prior to such acquisition, both within the same calendar year, would be sufficient to constitute such employing unit a subject employer under the provisions of subsections (1) or (2) of this section. For the purpose of KRS 341.260 wages paid by the acquired unit shall be considered as having been paid by the acquiring unit.

(8) Any employing unit which, together with one or more other employing units, is owned or controlled (by legally enforceable means or otherwise) directly or indirectly by the same interests, or which

owns or controls (by legally enforceable means or otherwise) one or more other employing units, and which, if treated as a single employing unit with such other employing unit or interests, or both, would be a subject employer under subsections (1) or (2) of this section.

(9) Any employing unit which, having become a subject employer under subsections (1) to (8) of this section, has not ceased to be a subject employer under KRS 341.250.

(10) Notwithstanding the provisions of this section or any other provision of this chapter, no employing unit shall be initially determined a subject employer on the basis of covered employment performed more than six calendar years prior to the year in which such determination is made, unless the Commissioner can show that the records of such employment experience were fraudulently concealed or withheld for the purpose of escaping liability under this chapter.

Section 2. Section 341.380 of the Kentucky Revised Statutes is amended to read as follows:

Payment of benefits; amount. (1) All benefits shall be paid through employment offices, or such other agencies as may be designated by regulations of the Commission. Claims for all payments of benefits shall be made in accordance with regulations of the Commission.

(2) Benefits payable to an eligible worker for weeks of unemployment shall, except as provided in KRS 341.390, be at the rate in Column "C" of "Table B" on the same line on which, in Column "B," there appears the amount of base-period wages paid to him in that calendar quarter of his base period in which such base period wages were highest.

TABLE B

Wage Class (A)	High Quarter Wages (B)	Weekly Benefit Rate (C)
0	Less than $250.00	$ 0.00
1	$250.00– 287.50	11.00
2	287.51– 312.50	12.00
3	312.51– 337.50	13.00
4	337.51– 362.50	14.00
5	362.51– 387.50	15.00
6	387.51– 412.50	16.00
7	412.51– 437.50	17.00
8	437.51– 462.50	18.00
9	462.51– 487.50	19.00
10	487.51– 512.50	20.00
11	512.51– 537.50	21.00

TABLE B—Continued

Wage Class (A)	High Quarter Wages (B)	Weekly Benefit Rate (C)
12	537.51– 562.50	22.00
13	562.51– 587.50	23.00
14	587.51– 612.50	24.00
15	612.51– 637.50	25.00
16	637.51– 662.50	26.00
17	662.51– 687.50	27.00
18	687.51– 712.50	28.00
19	712.51– 737.50	29.00
20	737.51– 762.50	30.00
21	762.51– 787.50	31.00
22	787.51– 812.50	32.00
23	812.51– 837.50	33.00
24	837.51– 862.50	34.00
25	862.51– 887.50	35.00
26	887.51– 912.50	36.00
27	912.51 or over	37.00

(3) The maximum amount of benefits payable to any worker within any benefit year shall be the amount equal to whichever is the lesser of (1) twenty-six times his weekly benefit rate or (2) one-third of his base-period wages, except that no worker's maximum amount shall be less than fifteen times his weekly benefit rate. Such maximum amount, if not a multiple of one dollar, shall be adjusted to the nearest multiple of one dollar.

Section 3. Section 2 of this Act shall become effective as of July 1, 1960, and nothing in this Act shall change or affect any determination made by the Commissioner or Commission under the provisions of KRS Chapter 341 prior to that date or determinations which will become effective prior to that date.

HB 529, AN ACT relating to bonds of state officers and employes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 62.170 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Commissioner of Finance shall secure, except for state officers required by KRS 62.160 to file bond, blanket bonds, with or without cosureties, written on a blanket position form, to cover all other officers, employes or deputies of the Commonwealth of Kentucky, including all other members of boards or commissions or employes of such boards or commissions, and including all superin-

tendents, receivers or employes of penal or eleemosynary institutions managed or directed by the Department of Welfare or any other department or agency of the Commonwealth of Kentucky. Nothing in this paragraph shall be deemed to prohibit the securing of any such blanket position bond on a departmental, board, commission, agency or institutional basis.

(2) The Commissioner of Finance may secure one or more excess blanket bonds, with or without cosureties, to cover selected groups of persons covered by the bond or bonds required in the preceding paragraph to provide additional coverage which he may deem necessary by the exposures indicated in accordance with the duties and responsibilities indicated by the personnel classification schedules of the Division of Personnel Efficiency and in accordance with the Amounts of money and property handled by the respective officers and employes.

(3) Such bond or bonds shall be written by and participated in only by insurance companies licensed by the Department of Insurance to do business in this state and shall be countersigned by a duly authorized licensed resident agent of the company. Such bonds may be written with or without cosureties. Further, such bonds are to be a percentage of the total risks, the Department of Insurance to approve the amount of the risk written by any one company.

(4) The penal amount of the bond secured pursuant to this section shall be fixed by the Commissioner of Finance in accordance with the duties and responsibilities indicated by the personnel classification schedules of the Division of Personnel Efficiency, and in accordance with the amounts of money and property handled by the respective officers and employes.

SB 132, AN ACT relating to weights, measures and millers' tolls.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 363.280 of the Kentucky Revised Statutes is amended to read as follows:

(1) No person shall use, sell, offer or expose for sale or hire or have in possession for the purpose of using, selling or hiring, a false weight or measure, or weighing or measuring device, or any device or instrument to be used to or calculated to falsify any weight or measure.

(2) No person shall dispose of any condemned weight or measure or weighing or measuring device in a manner contrary to law.

(3) No person shall remove from any weight, measure, or weighing or measuring device, any tag or seal or mark placed thereon by the department or by a city sealer.

(4) No person shall sell, or offer or expose for sale less than the quantity he represents of any commodity, thing or service.

(5) No person shall take more than the quantity represented of any commodity, thing or service where as buyer, agent or receiver, he furnishes the weight, measure, or weighing or measuring device by means of which the amount of the commodity, thing or service is determined.

(6) No person shall use in retail trade, except in preparation of packages put up in advance of sale, a weighing or measuring device which is not so positioned that its indications may accurately be read and the weighing and measuring operation observed from some position which may reasonably be assumed by a customer.

(7) No person shall sell, offer or expose for sale any commodity in package form unless the net quantity of the contents be plainly and conspicuously marked on the package, in terms of weight, measure, or numerical count.

Section 2. Section 363.285 of the Kentucky Revised Statutes is amended to read as follows:

(1) No person shall sell, offer or expose for sale any commodity in any other manner than by net weight, liquid measure, linear measure, dry measure or numerical count.

(2) No person shall sell, offer or expose for sale any commodity so packed which is misleading to the buyer as to the net weight, measure or numerical count.

Section 3. A new section of the Kentucky Revised Statutes is added to read as follows:

(1) Whenever any commodity is sold, offered, exposed, or advertised for sale, by weight, measure, or numerical count, the price shall be indicated so as not to be misleading or deceiving to an actual or prospective purchaser.

(2) Every commodity in package form, the package being one of a lot containing random weights of the same commodity and bearing the total selling price of the package, shall bear on the outside of the package a plain and conspicuous declaration of the price per pound.

Section 4. A new section of the Kentucky Revised Statutes is added to read as follows:

(1) Where the statement of weight of a commodity expresses the minimum quantity, no variation below the stated minimum shall be permitted after the first complete sale and delivery of the commodity in Kentucky by the manufacturer, packer, or distributor, except variations below the stated weight or measure caused by ordinary and customary exposure to conditions that normally occur in good

distribution practice and that unavoidably result in decreased weight or measure. Variations above the stated minimum shall not be unreasonably large.

(2) Where the statement of weight of a commodity does not express the minimum quantity (a) variations from the stated weight or measure shall be permitted after the first complete sale and delivery of the commodity in Kentucky by the manufacturer, packer, or distributor, when caused by ordinary and customary exposure to conditions that normally occur in good distribution practice and that unavoidably result in a change of weight or measure; (b) variations from the stated weight or measure shall be permitted after the first complete sale and delivery of the commodity in Kentucky by the manufacturer, packer or distributor when caused by unavoidable deviation in weighing or measuring the contents of individual packages that occur in good packing practice; but such variations shall not be permitted to such extent that the average of the quantities in the packages of a particular commodity comprising either a shipment or other delivery of the commodity or a lot of the commodity that is kept, offered, or exposed for sale, or sold, is below the quantity stated, and no unreasonable shortage in any package shall be permitted, even though overages in other packages in the same shipment, delivery, or lot compensate for such shortage.

(3) The extent of variations from the stated quantity of the contents of each shipment, delivery or lot permitted in subsections (1) and (2) of this section shall be determined by the facts in each case.

Section 5. A new section of the Kentucky Revised Statutes is added to read as follows:

None of the provisions of Chapter 363 shall apply to the compounding and dispensing of drugs by a registered pharmacist on a prescription.

Section 6. Section 363.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who violates any of the provisions of KRS 363.050 shall be fined not less than ten nor more than one hundred dollars, or imprisoned for not more than six months, or both.

(2) Any person who violates any of the provisions of KRS 363.070 or 363.080 shall be fined not less than twenty-five nor more than five hundred dollars for each offense.

(3) Any person violating KRS 363.090 shall be fined not less than five nor more than twenty dollars.

(4) Any person who violates any of the provisions of subsection (1) of KRS 363.100 shall for each offense be fined five dollars for the use of the school district in which the mill is located.

(5) Any person who violates any of the provisions of subsection (2) of KRS 363.100 as to the time, order or quality of grinding or

manufacturing, or the amount of toll, shall for each offense forfeit to the party injured ten dollars, recoverable before a justice of peace.

(6) Any person who violates any provision of KRS 363.170 to 363.290 shall, for each offense, be fined not less than one hundred nor more than one thousand dollars, or imprisoned for not less than three nor more than twelve months, or both.

(7) Any person who violates any provision of Sections 3 and 4 of this Act shall, for each offense, be fined not less than one hundred nor more than one thousand dollars, or imprisoned for not less than three nor more than twelve months, or both.

SB 153, AN ACT amending Section 212.710, Kentucky Revised Statutes, relating to State aid for city-county health departments.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 212.710 of the Kentucky Revised Statutes is amended to read as follows:

Any city-county department of health established under KRS 212.350 or 212.640 shall be entitled to the same State aid as is provided for county and district health departments under KRS 212.120, upon notice of the establishment of the department being given to the State Board of Health as provided in KRS 212.120.

HB 500, AN ACT to prohibit any person, firm or corporation, not directly involved in a labor strike or lockout, recruiting or securing or offering to secure employment for persons to take the places of employes where a labor strike or a lockout exists; and providing for legally established employment service.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

A new section of the Kentucky Revised Statutes is created to read as follows:

(1) It shall be unlawful for any person, firm or corporation, not directly involved in a labor strike or lockout, to recruit any person or persons for employment, or to secure or offer to secure for any person or persons any employment, when the purpose of such recruiting, securing, or offering to secure employment, is to have such persons take the place in employment of employes in an industry where a labor strike or a lockout exists; provided, that this Act shall not apply to any employment agent licensed as such under the Department of Industrial Relations, or to the Kentucky or the United States Employment Service.

(2) Any person violating the provisions of this Act shall be fined not more than one thousand dollars, or be imprisoned for a term not exceeding one year, or both, at the discretion of the court.

(3) This Act shall become effective immediately upon final enactment.

HB 513, AN ACT relating to the sale of products of prison labor.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 197.260 of the Kentucky Revised Statutes is repealed and re-enacted to read as follows:

Articles or products manufactured or produced wholly or in part in this or any other state by prisoners of institutions of confinement in this or any other state shall not be sold on the open market but may be sold to federal and state institutions and agencies. However, the Governor may by administrative regulation authorize the sale of specified articles or products at public auction where he finds that such authorization is in the best interests of the state. This Act shall not apply to articles or products manufactured or produced by prisoners on parole or probation.

HB 490, AN ACT relating to the taxation of non-profit cemetery companies.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The income derived from investments made by a non-profit cemetery company shall be exempt from all taxation, when such income is used for the care, upkeep and maintenance of the cemetery.

HB 462, AN ACT relating to military service recognition.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The Department of Military Affairs, together with the Kentucky Historical Society, the interested veterans clubs and organizations and their auxiliaries, and the interested community service clubs and organizations, shall ascertain and verify the names, addresses, and places of birth of all Kentuckians who have been awarded the United States Armed Forces Medal of Honor, and shall formulate such plans, designs and inscriptions as may be necessary and appropriate for the creation of a historical marker at or near the home of each recipient thereof.

Section 2. The Department of Military Affairs shall coordinate, aid and assist any local interested veterans or civic club or organization, or any group of them seeking the erection of such a historical marker who shall cooperate and contribute sufficient information, services and funds as may be required by the department to erect such a historical marker.

Section 3. The University of Kentucky shall construct the Medal of Honor Historical markers pursuant to the request and according to the specifications and design of the Department of Military Affairs and the Kentucky Historical Society.

Section 4. The Department of Highways shall erect the Medal of Honor Historical markers pursuant to the request and in the place and manner designated by the Department of Military Affairs and the Kentucky Historical Society.

Section 5. The Department of Military Affairs shall prescribe such rules and regulations as may be necessary to administer this Act.

Section 6. This Act shall become effective January 1, 1961.

HB 405, AN ACT relating to deputy constables.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 70.320 of the Kentucky Revised Statutes is amended to read as follows:

(1) The appointment of deputy constables shall be authorized only in counties containing a first or second-class city. In such counties each constable may appoint one or more deputies with the consent of the county judge. The constable and his surety shall be liable on his bond for all the acts and omissions of his deputies.

(2) Deputy constables may be removed at any time for any cause deemed sufficient by the constable by order of the county court entered after filing of a written direction by the constable.

(3) Each deputy constable in counties containing a city of the first class, shall be compensated for his services by salary fixed by the fiscal court, and paid out of the county levy, such salary to be not less than $4,000.00 per annum nor in excess of $5,500.00 per annum.

HR 80, A JOINT RESOLUTION for the benefit of officers and employes of the Senate and the House of Representatives; and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. That there is hereby appropriated from the General Expenditure Fund additional allowances to cover necessary expenses for the following employes and officers of the Senate and House of Representatives, viz; Chief Clerks, Assistant Clerks, Enrolling Clerks, Sergeant-at-Arms, Doorkeepers, Cloakroom Keepers, Janitors, Pages, and appointed employes, to that compensation provided in KRS 6.230, the sum of twenty thousand, four hundred and twenty-four dollars ($20,424.00).

Section 2. That the Chief Clerk of the Senate shall requisition and the Commissioner of Finance shall draw a warrant for the sum of $7,844.00 on the State Treasurer of the Commonwealth of Kentucky in favor of the Chief Clerk of the Senate. Such Chief Clerk shall forthwith distribute such expense allowances on the basis of the number of days that such employes and officers served during the regular session of the General Assembly in the year 1960, the rate per day being computed by said Chief Clerk and the Committee on Committees of the Senate on a pro rata basis of the amounts authorized to be paid them by KRS 6.230.

Section 3. The Chief Clerk of the House of Representatives shall requisition and the Commissioner of Finance shall draw a warrant for the sum of $12,580.00 on the State Treasurer of the Commonwealth of Kentucky in favor of the Chief Clerk of the House of Representatives. Such Chief Clerk shall forthwith distribute to the employes and officers of the House of Representatives such expense allowance on the basis of the number of days that such employes and officers served during the regular session of the General Assembly in the year 1960, the rate per day to be computed by the said Chief Clerk and the Committee on Committees of the House of Representatives on a pro rata basis of the amounts authorized to be paid them by KRS 6.230.

Section 4. Whereas, the General Assembly will within a short time adjourn and the employes and officers will depart for various sections of the state, an emergency is hereby declared to exist, and this Resolution shall be effective from and after its passage and approval by the Governor of the Commonwealth.

SB 93, AN ACT relating to the Department of Agriculture, Labor and Statistics.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

(1) The Department of Agriculture may accept Federal aid, gifts, donations or devises. The Department of Agriculture is authorized in its discretion to accept the provisions of any Act of Congress appropriating, granting or apportioning funds or commodities to the state for use in connection with any program of the Department of Agriculture. The commissioner shall prescribe for the proper apportionment and distribution of these funds, property or commodities in accordance with the State and Federal laws.

(2) The Commissioner of Agriculture may enter into any agreement and carry out the terms of such agreement with any department of the Federal government to handle funds, commodities or any devise under any program assigned to or handled by the Department of Agriculture.

HB 228, AN ACT relating to the use of profits from public utility owned by a city.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 96.200 of the Kentucky Revised Statutes is amended to read as follows:

The legislative body of any city may, by ordinance, provide in what manner and for what purpose any profits, earnings or surplus funds arising from the operation of any public utility owned or operated by the city may be used and expended. The ordinance may be amended or repealed from time to time. Until such an ordinance is enacted any surplus earnings shall be paid into the city treasury, to be expended for the general purposes of government in the city.

SB 40, AN ACT relating to limited partnerships.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 362.020 of the Kentucky Revised Statutes is amended to read as follows:

The persons desiring to form a limited partnership shall sign a written statement, showing the name and place of residence of each partner, the name or style of the firm, who are general and who are special partners, the amount contributed by each general partner, the amount of cash and a description of and the agreed value of other property contributed by each special partner, the general nature of the business, the place or places at which the business is to be transacted and the duration of the partnership. One or more of the general partners shall verify by affidavit the truth of the statement as to the cash or value of other property paid in by any special partner.

Section 362.040 of the Kentucky Revised Statutes is amended to read as follows:

A limited partnership may consist of one or more persons as general partners, with the powers and responsibilities of partners, and of one or more persons as special partners who, having paid in as capital the cash or other property set forth in the written statement prescribed in KRS 362.020, shall not be personally liable for the debts or responsibilities of the firm, except as provided in this chapter, and shall not have any power to bind the firm or manage its affairs. The contributions of a special partner may be cash or other property, but not services.

HB 433, AN ACT relating to constables in counties of over 250,000 population.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 64.200 of the Kentucky Revised Statutes is amended to read as follows:

(1) In counties containing a population of over 250,000, for the performance of the duties of his office, each constable shall be exclusively compensated by a salary of not less than five thousand dollars nor more than seven thousand two hundred dollars per annum to be paid in equal monthly installments out of the county treasury.

(2) Each constable and deputy constable shall daily deliver or cause to be delivered to the recorder for the justice's district in which he holds office all moneys received or collected by him by virtue of his office, or the recorder may receive such moneys for the officer, and in either event the recorder shall daily issue to each officer a receipt for moneys received from or for him. Each recorder shall keep such records of each daily transaction, in such manner and form, and showing such information, as the fiscal court of the county requires.

(3) All moneys received or collected on account of or resulting from the performance of the duties or the exercise of the powers incident to the offices of constable and deputy constable shall be paid into the county treasury.

(4) Before the tenth day of each calendar month the recorder for each justice's district shall prepare a sworn statement showing the correct amounts of money received or collected during the next preceding calendar month from the administration of the offices of constable and deputy constable. The statement shall be in the form and shall disclose the information required by the fiscal court. Each monthly statement, and as many copies thereof as the fiscal court may require, shall be subscribed and sworn to by the recorder. On or before the tenth day of each calendar month each recorder shall deliver one or more copies of the monthly statement to the fiscal court, or such person as the fiscal court designates, and at the same time deliver by certified check, payable to the order of the county treasurer, the total sum of money received by the recorder under the provisions of this section during the next preceding calendar month. During the interims between such monthly statements each recorder shall safely preserve the funds coming into his hands by virtue of this section in a bank designated by the justice of the peace, which bank shall duly execute a depository bond in a sufficient amount to cover monthly balances.

SB 72, AN ACT relating to exceptions from the limitations on the maximum debt to banks and trust companies.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 287.290 of the Kentucky Revised Statutes is amended to read as follows:

In the case of obligations to banks and trust companies, the limitations and restrictions of KRS 287.280 shall not apply to:

(1) Obligations of the United States or of the State of Kentucky;

(2) Obligations guaranteed as to principal and interest by the United States or the State of Kentucky; or all obligations to the extent secured or covered by guarantees or by commitments or agreements to take over or to purchase the same made by any Federal Reserve Bank or by the United States or by any department, bureau, board, commission or establishment of the United States, including any corporation wholly owned directly or indirectly by the United States; or consolidated bonds issued by or for Federal land banks or consolidated debentures issued by or for Federal intermediate credit banks under the Act of Congress known as the "Federal Farm Loan Act," and amendments thereto; or consolidated debentures issued by or for banks for cooperatives under the Act of Congress known as the "Farm Credit Act of 1933," and amendments thereto; or obligations issued by the Federal home loan banks; or obligations which are insured by the Federal Housing Administrator pursuant to Title 12, Section 12, Section 1713, United States Code, if the debentures to be issued in payment of such insured obligations are guaranteed as to the principal and interest by the United States; or obligations of national mortgage associations;

(3) Obligations of Kentucky Counties and school districts incurred through borrowing in anticipation of the current year's tax receipt as authorized by KRS 68.320 and 160.540.

SB 73, AN ACT relating to investment of bank funds.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 287.100 of the Kentucky Revised Statutes is amended to read as follows:

A bank may:

(1) Hold such personal property as has been transferred to it as collateral for the payment of any debt;

(2) Acquire and hold title to such real estate as may be necessary for the transaction of its legitimate business;

(3) Acquire and hold for not longer than ten years, any real estate conveyed to it in satisfaction of debts previously contracted in the course of its business, or that it may purchase under a judgment in its favor;

(4) Invest in the bonds of any Federal Home Loan Bank;

(5) Invest in any bonds issued by or for Federal land banks and any debentures issued by or for Federal intermediate credit banks

under the Act of Congress known as the "Federal Farm Loan Act," and amendments thereto, and any debentures issued by or for banks for cooperatives under the Act of Congress known as the "Farm Credit Act of 1933," and any amendments thereto.

SB 74, AN ACT relating to investment by insurers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 304.428 of the Kentucky Revised Statutes is amended to read as follows:

(1) An insurer may invest its funds in the bonds, debentures or other securities:

(a) Issued by or for Federal land banks and Federal intermediate credit banks under the provisions of the Act of Congress entitled the Federal Farm Loan Act, and any amendments thereto, and issued by or for banks for cooperatives under the provisions of the Act of Congress entitled the Farm Credit Act of 1933, and any amendments thereto;

(b) Of any Federal Home Loan Bank, issued under provisions of the Act of Congress entitled the Federal Home Loan Bank Act, approved July 22, 1932;

(c) Of Public Housing Authorities, issued under the provisions of the Act of Congress entitled the Housing Act of 1949, and approved July, 1949; the Municipal Housing Commission Act or the Rural Housing Commission Act, and any additional amendments, or issued by any public housing authority or agency in the United States, if such bonds, debentures or other securities are secured by a pledge of annual contributions to be paid by the United States or any agency thereof.

(2) If any class of such bonds is secured, as to payment of principal and interest, by pledge of the faith and credit of the United States, such class of bonds shall be deemed to be eligible for investment under KRS 304.404 and shall not be included within the limitation as to amount invested as set forth in KRS 304.441.

SB 75, AN ACT relating to investments by fiduciaries.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 386.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any fiduciary holding funds for loan or investment may invest them in:

(a) Bonds or other interest-bearing obligations of the Federal Government;

(b) Bonds, state warrants and other interest-bearing obligations of this state;

(c) Any bonds issued by or for Federal land banks and any debentures issued by or for Federal intermediate credit banks under the Act of Congress known as the Federal Farm Loan Act, and any amendments thereto, and any debentures issued by or for banks for cooperatives under the Act of Congress known as the Farm Credit Act of 1933, and any amendments thereto;

(d) Notes and bonds secured by mortgage or trust deed insured by the Federal Housing Administrator, obligations issued or insured by the Federal Housing Administrator, and securities issued by National Mortgage Association;

(e) Obligations representing loans and advances of credit that are eligible for credit insurance by the Federal Housing Administrator, and the fiduciary may obtain such insurance;

(f) Loans secured by real property or leasehold, that the Federal Housing Administrator insures or makes a commitment to insure, and the fiduciary may obtain such insurance;

(g) Real estate mortgage notes, bonds and other interest-bearing or dividend-paying securities (including securities of any open-end or closed-end management type investment company or investment trust registered under the Federal Investment Company Act of 1940) which would be regarded by prudent businessmen as a safe investment;

(h) Real estate, after obtaining the approval of the county court for such investment; and

(i) Life insurance, endowment and annuity contracts issued by legal reserve companies authorized to do business in this state, after obtaining the approval of the county court for such investment. Said fiduciary may select any optional settlement provided in a policy maturing by death or as an endowment.

(2) Fiduciaries holding funds for loan or investment may make loans with the securities named in subsection (1) as collateral.

(3) The fiduciary shall account for all interest or profit received.

(4) All dividends on shares of a corporation forming a part of the principal of an estate or trust which are payable in shares of the same class of the corporation and which are payable at a rate of 10 percent or more of the corporation's outstanding shares of such class before such dividend, shall be deemed principal of the estate or trust, and all such dividends payable at a rate less than 10 percent of the corporation's outstanding shares of such class before such dividend, shall be deemed income of the estate or trust. Subject to the provisions of this section, all dividends payable otherwise than in the shares of the same class of the corporation itself, including ordinary and extraordinary dividends and dividends payable in shares or other securities or obligations of corporations other than the declaring corporation, shall be deemed income. Where the trustee shall have the

option of receiving a dividend either in cash or in the shares of the declaring corporation, it shall be considered as a cash dividend and deemed income, irrespective of the choice made by the trustee.

SB 247, AN ACT relating to the regulation for the termite and pest control industry.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 249.250 of the Kentucky Revised Statutes is amended to read as follows:

(1) "Department" means the Department of Agriculture, Labor and Statistics;

(2) "Commissioner" means the Commissioner of Agriculture, Labor and Statistics;

(3) "Board" means the State Board of Agriculture;

(4) "Insect" means arthropods, mollusks and annelid worms, except those producing disease in man;

(5) "Rodent" means the order rodentia and other pestiferous vertebrate animals;

(6) "Termite" means termite as commonly used as well as other cellulose destroying organisms of all types;

(7) "Fumigation" means the use of poison gases to fumigate any enclosed space;

(8) "Operator" means any individual, firm, partnership, corporation, organization, association, or any combination thereof who owns a business for the purpose of applying or using insecticides, fungicides, or rodenticides for the control of termites, rodents, insects, plant diseases, fungi or bacteria, or who for hire or compensation owns a business for controlling, destroying, preventing, repelling, inspecting for or identifying insects, rodents, termites, fungi or bacteria, plant diseases, or who owns a business offering advice regarding control methods of sanitation procedures relative to insects, rodents, termites, fungi or bacteria. Excluded under this definition are textile manufacturers, cleaners or furriers who treat fabrics or furs in their place of business exclusively.

Section 2. There shall be an examining board composed of five members appointed by the Commissioner who shall be citizens of the Commonwealth of Kentucky. The examining board shall consist of a member of the Department, two members of the Department of Entomology of the University of Kentucky, and two members of the pest control industry.

Section 3. Section 249.260 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every operator as defined in KRS 249.250 shall secure a license from the Department before engaging in business in Kentucky. Written application shall be made to the Department stating the field of operation in which a license is desired. The applicant shall then be examined by the examining board in the field of operation specified in his application, and if found to be competent and qualified, shall be issued a license in the specified field, renewable annually without examination unless previously revoked as hereinafter provided. The licensee must, however, be examined when application is made for a license in additional fields of operation.

(2) Each operator shall register annually, and shall pay an annual fee of one hundred dollars for each place of business maintained in Kentucky. The registration and annual fee shall also be paid by any owner maintaining a place of business outside Kentucky but who engages in business within Kentucky. Every non-resident owner shall designate a resident agent upon whom service of notice of process may be made to enforce the provisions of KRS 249.250 to 249.340 or any liabilities arising from the operations hereunder.

(3) The "Applicant or Operator" is construed to mean the person or persons who own or are in direct charge of and are responsible for the conduct of the business named in the license.

(4) No applicant shall be eligible for examination unless he has had at least two years' experience in the field in which application is made, or has had in lieu thereof at least two years study in a recognized college or university, majoring in subjects devoted to the professional field in which he proposes to engage.

Section 4. Each applicant for a license shall pay to the Department an examination fee of fifteen dollars which shall be in full, and will entitle him to be examined in any or all fields of operation. However, a subsequent application for a license in any additional field requires the payment of an additional fifteen dollar fee. If an applicant fails an examination in a particular field, he shall have the right to take one additional examination at a regularly scheduled date upon payment of a five dollar fee.

Section 5. Section 249.290 of the Kentucky Revised Statutes is amended to read as follows:

The authorized representatives of the Department shall have the power of peace officers in the enforcement of KRS 249.250 to KRS 249.340, and may enter upon public or private premises for the purpose of inspection, and may examine during reasonable hours the records, materials and equipment of any operator.

Section 6. Section 249.300 of the Kentucky Revised Statutes is amended to read as follows:

A license may be revoked by the board for any of the following causes:

(1) The licensee, his solicitor or agent, making any material misrepresentations for the purpose of defrauding any member of the public, or using any method or material that is not reasonably suited for the purpose for which it is employed, or performing unsatisfactory work under his contract;

(2) Failure of a licensee to comply with any of the provisions of KRS 249.250 to 249.340, or any rule or regulation promulgated by the Department;

(3) Failure to pay any final judgment rendered against any operator, his employee, solicitor or representative by reason of liabilities resulting from activities under KRS 249.250 to KRS 249.340;

(4) Refusal to provide the Department with reasonably complete and accurate information upon request;

(5) If license holder shall fail to make the registrations and pay annual fees as required in KRS 249.260.

Section 7. The board may in its discretion order the suspension of a license for any cause for which it may be revoked provided, however, the licensee may have the alternative, except in cases involving subsection (1) of KRS 249.300, subject to the approval of the board, to pay in lieu of part or all of the days of any suspension period, the sum of fifty dollars per day. The money so collected shall be paid into the State Treasury to the credit of a revolving fund for the use of the Department in enforcing the provisions of KRS 249.250 to KRS 249.340.

Section 8. Advertisement by unlicensed operators prohibited. It shall be unlawful for any person, firm, corporation, partnership or combination thereof, to advertise in any newspaper, periodical, radio or in any other manner, that said person, firm, corporation, partnership or combination thereof is engaged in the business of pest control or any of the fields thereof, unless it has been first licensed in Kentucky.

Section 9. The board shall after denying an application for a license, if petitioned by the applicant within ten days of notification, or before suspending or revoking any license, set the matter down for a hearing and shall at least fifteen days prior to the date set for the hearing notify the applicant or licensee in writing, which said notice shall contain an exact statement of the charges made and the date and place of the hearing. Such written notice may be served by delivery of it personally to the applicant or licensee or by mailing it by registered mail to his last known address. The hearing shall be at the time and place prescribed by the board.

Section 10. (1) In the preparation and conduct of hearings any member of the board shall have the power to administer oaths and to require by subpoena the attendance and testimony of witnesses and the production of the papers. The fees and mileage shall be the same as prescribed by law for judicial procedure in civil cases. Any party to a hearing shall have the right to the attendance of witnesses in his behalf upon making a request thereof to the board and designating the person or persons sought to be subpoenaed.

(2) Testimony may be taken by depositions as in civil cases and any person may be compelled to appear and dispose in the same manner as witnesses as hereinbefore provided.

(3) Any person who shall neglect or refuse to attend and testify or to answer any lawful inquiry or to produce documentary evidence if in his power to do so, is in disobedience of a subpoena or lawful requirement by the board, shall be subject to prosecution under KRS 249.990 (6).

Section 11. The board shall notify the applicant or licensee of its decision within twenty days after the hearing in the manner provided in Section 9 of this Act. The board upon request of the applicant or licensee shall furnish him with a definite statement of its findings of fact and its reason or reasons for refusing to grant him a license, or for the suspension of the rights of the licensee, or for the revocation of the license, as the case may be. The order of the board, if an appeal is not taken as herein provided, shall be conclusive and binding as to all questions of fact, but any applicant or licensee shall have the right to appeal from the decision of the board as provided in Section 12 of this Act. If an appeal is perfected as provided in Section 12 of this Act, the decision of the board shall be stayed until final adjudication.

Section 12. (1) Any applicant or licensee aggrieved by the action of the board in refusing to grant a license or in suspending or revoking a license may within twenty days after the date of notification, file in the office of the Clerk of the Franklin Circuit Court, an attested copy of the record of proceedings before the board together with its findings of fact and reasons therefor, provided he shall first post bond to secure the cost of the action in such sum as may be approved by the Clerk, with good and solvent surety. The board shall be a necessary party to all such appeals. The Circuit Clerk shall thereupon docket the case and shall immediately issue a summons for the board. No formal pleading shall be required but the case shall be set down by the court for a hearing as early as possible.

(2) No new or additional evidence may be introduced in the Franklin Circuit Court except as to fraud or misconduct of some person engaged in the administration of this Act and affecting the order or decision of the board, but the court shall otherwise hear the cause upon the record as attested by the board and shall dispose of the cause in a summary manner, its review being limited to determining whether or not: (a) the board acted without or in excess of its powers; (b) the order or decision appealed from was procured by fraud; (c) if

questions of fact are in issue, whether or not any substantial evidence supports the order or decision appealed from.

(3) After the hearing provided for in subsection (2) the court shall enter judgment sustaining or setting aside the order or decisions of the board.

(4) Either party aggrieved by judgment of the Franklin Circuit Court may appeal to the Court of Appeals in the manner provided in the rules of civil procedure.

Section 13. Section 249.340 of the Kentucky Revised Statutes is amended to read as follows:

All fees collected by the Department shall be deposited in the State Treasury to the credit of a revolving fund for the use of the Department in enforcing the provisions of KRS 249.250 to 249.340.

Section 14. Subsection (6) of Section 249.990 of the Kentucky Revised Statutes is amended to read as follows:

(6) Any person violating any of the provisions of KRS 249.250 to 249.340 or any lawful order, rule or regulation of the Department made under the provisions of KRS 249.250 to 249.340 shall be fined not less than one hundred dollars for the first offense and not less than two hundred dollars for each subsequent conviction, or not less than thirty days nor more than one year in jail, or both.

Section 15. No prosecution shall be made under KRS 249.250 to 249.340 unless it is commenced within two years of the time the violation is committed.

Section 16. Section 249.320 of the Kentucky Revised Statutes is repealed.

Calendar

HB 437, HB 505, HB 401, SB 223, SB 224, SB 225, SB 180, SB 158, SB 168, SB 165, HB 497, SB 195, HB 506, HB 391, SB 148, HB 385, SB 200, HB 201, SB 36, HB 502, SB 84, HB 282, HB 327, HB 508, SB 163, HB 412, HB 474, HB 511, SR 30, SB 124, and **HB 143** were taken from the Calendar and ordered read at length for the second time. Representative Ray moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Senate Message

Announcing passage of **SB 250, SB 251, SB 252, SB 253, SB 245.**

Orders of the Day

Representative Ray moved that **HB 163** be taken from the clerk's desk and placed upon its passage. Agreed.

On the roll call, the vote was yeas 62 – Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, Earl Carter, Caudill, Childress, Cook, Cottengim, Denham, Dexter, Dobyns, Dowell, Edmunds, Farmer, Fern, Fields, Fitzpatrick, Ford, Haley, Hardin, Harris, Henry, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, L. F. Morgan, Neel, Nolan, Osborn, Ostertag, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Spurrier, Stacy, Steiger, Summe, Treas, Tucker, J. E. White, Wood. Nays 1—Ellis. **HB 163** was passed and the title agreed to.

HB 444 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved it be read by title only. Agreed by a majority of members elected

Representative Lowman moved to amend **HB 444** as follows: "Amend printed copy of **HB 444** on page 5, section 11, line 1 by correcting the word, "January" to read, "July". Agreed.

Speaker vacated the Chair and Representative Fred Morgan presided.

Representative Tanner moved the previous question on **HB 444.** Agreed.

On the roll call, the vote was yeas 79—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, Burress, C. C. Carter, Castle, Caudill, Childress, Clark, Colley, Cook, Paul Cornett, Cottengim, Cowherd, Crecelius, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Faulkner, Fern, Fields, Fitzpatrick, Ford, Hahn, Haley, Hampton, Hardin, Harris, Hays, Henry, Hill, Hinkle, Hislope, Hopkins, Irick, Isler, Lankford, Lovins, Lowman, Lyon, Ben Martin, Miles, Miller, Moloney, Moorman, L. F. Morgan, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Peniston, Quinn, Rausch, Ray, Render, Roberts, Slusher, A. C. Smith, Virgil Smith, Spurrier, Stacy, Steiger, Stidham, Tanner, Treas, Wathen, G. T. White, J. E. White, Wood, Young. Nays 0—**HB 444** was passed and the title agreed to.

HB 492 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved it be read by title only. Agreed by a majority of members elected

On the roll call, the vote was yeas 76—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Castle, Chumbler, Clark, Cole, Paul Cornett, Cottengim, Cowherd, Crecelius, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Faulkner, Fern, Fields, Fitzpatrick, Hahn, Haley, Hall, Hampton, Hardin, Harris, Hays, Henry, Hill, Hinkle, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, Miles, Miller, Moloney, Moorman, L. F. Morgan, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Peniston, Qualls, Quinn, Rausch, Ray, Render, Roberts, Slusher, A. C. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White, Wood, Young. Nays 1—Ford. **HB 492** was passed, and the title agreed to.

HB 493 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved it be read by title only. Agreed by a majority of members elected

On the roll call, the vote was yeas 78—Alexander, Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Earl Carter, Castle, Childress, Chumbler, Clark, Cole, Colley, Cook, Paul Cornett, Cowherd, Crecelius, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Faulkner, Fern, Fields, Fitzpatrick, Ford, Garner, Hahn, Haley, Hall, Hampton, Hardin, Harris, Hays, Henry, Hill, Hislope, Hopkins, Irick, Lankford, Lovins, Lyon, Ben Martin, Miles, Miller, Moloney, Moorman, L. F. Morgan, Nichols, Nolan, Osborn, Ostertag, Osting, Peniston, Quinn, Rausch, Ray, Rayburn, Render, Roberts, Slusher, J. D. Smith, Virgil Smith, Spurrier, Steiger, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White, Wood, Young. Nays 0. **HB 493** was passed and the title agreed to.

HB 494 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved it be read by title only. Agreed by a majority of members elected

On the roll call, the vote was yeas 73—Alexander, Bates, Baumgardner, Buckman, C. C. Carter, Castle, Childress, Chumbler, Clark, Cole, Colley, Cottengim, Cowherd, Crecelius, Dean, Dexter, Dobyns, Dowell, Edmunds, Ellis, Faulkner, Fern, Fields, Fitzpatrick, Ford, Garner, Griffin, Hahn, Haley, Hampton, Hardin, Harris, Hays, Henry, Hinkle, Hopkins, Irick, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moorman, L. F. Morgan, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Peniston, Quinn, Rausch, Ray, Rayburn, Render, Roberts, Slusher, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White, Wood, Young. Nays 1 – Hislope. **HB 494** was passed and the title agreed to.

HB 498 taken from the Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 77—Bates, Baumgardner, Buckman, Earl Carter, Childress, Chumbler, Clark, Cole, Colley, Paul Cornett, Cottengim, Crecelius, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Fern, Fields, Fitzpatrick, Ford, Hahn, Haley, Hampton, Hardin, Harris, Hays, Henry, Hill, Hinkle, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, L. F. Morgan, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Roberts, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Spurrier, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 0. **HB 498** was passed and the title agreed to.

HB 491 taken from the Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 80—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Earl Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Paul Cornett, Cowherd, Crecelius, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Fern, Fields, Fitzpatrick, Ford, Garner, Griffin, Hahn, Haley, Hall, Hampton, Hardin, Harris, Hays, Henry, Hinkle, Hislope, Hopkins, Irick, Isler, Lankford, Lyon, Ben Martin C. H. Martin, Miles, Miller, Moloney, L. F. Morgan, Neel, Nolan, Osborn, Ostertag, Osting, Quinn, Rausch, Ray, Rayburn, Render, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 4—Cottengim, Moorman, Peniston, Spurrier. **HB 491** was passed and the title agreed to.

HB 280 taken from Clerk's desk, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 60—Alexander, Barton, Bates, Baumgardner, Brizendine, Childress, Clark, Cook, Cowherd, Crecelius, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Fields, Fitzpatrick, Ford, Garner, Hahn, Haley, Hall, Hampton, Hardin, Harris, Henry, Hinkle, Hopkins, Irick, Isler, Lovins, Lyon, C. H. Martin, Miles, Moloney, Moorman, L. F. Morgan, Nolan, Osborn, Ostertag, Osting, Peniston, Ray, Rayburn, Render, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Steiger, Summe, Tanner, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 6—Buckman, Caudill, Hill, Neel, Quinn and Rausch. **HB 280** was passed and the title agreed to.

Representative Colley moved to reconsider vote by which **HB 280** was passed. Agreed.

On the roll call, the vote was yeas 49—Alexander, Barton, Bates, Clark, Colley, Paul Cornett, Crecelius, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Fields, Fitzpatrick, Ford, Garner, Hahn, Haley, Hall, Hampton, Harris, Henry, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Moloney, Moorman, L. F. Morgan, Nolan, Osborn, Ostertag, Peniston, Ray, Render, Slusher, Virgil Smith, Summe, Tucker, Wathen, J. E. White, Wood, Young. Nays 29 – Baumgardner, Brizendine, Buckman, Castle, Caudill, Childress, Cook, Cowherd, Dean, Faulkner, Fern, Hardin, Hays, Hill, Hinkle, Hislope, Miller, Neel, Nichols, Osting, Quinn, Rausch, Rayburn, Roberts, Albert C. Smith, Spurrier, Stacy, Stidham, Glen T. White. **HB 280** was passed and the title agreed to.

HR 88 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 50 –Alexander, Barton, Bates, Castle, Clark, Cole, Colley, Paul Cornett, Crecelius, Dexter, Dobyns, Farmer, Fields, Fitzpatrick, Ford, Garner, Hahn, Haley, Hall, Hampton, Harris, Hays, Henry, Hill, Hinkle, Hislope, Hopkins, Irick, Isler, Lovins, Lyon, Ben Martin, C. H. Martin, Neel, Nolan, Osborn, Ostertag, Osting, Peniston, Ray, J. D. Smith, Stacy, Stidham, Summe, Tanner, Tucker, Wathen, J. E. White, Wood, Young. Nays 16 – Buckman, Earl Carter, Caudill, Chumbler, Cowherd, Denham, Dowell, Ellis, Faulkner, Fern, Hardin, L. F. Morgan, A. C. Smith, Spurrier, Treas, Glen T. White. **HR 88** was passed and the title agreed to.

HB 416 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Ray moved to adopt Committee Substitute for **HB 416**. Agreed, Representative Ray moved to amend Committee Substitute for **HB 416** as follows:

"Amend printed copy of Committee Substitute for House Bill **416** of subsection (3) of section 1, by deleting subsection (3) of section 1, and inserting in lieu thereof the following:

"(3) Any person who violates this section shall be fined not less than twenty-five dollars nor more than three-hundred dollars."
and in Section 2
by deleting the last line in section 2 and inserting in lieu thereof the following:

"fined not less than twenty-five dollars or more than three hundred dollars." Agreed.

On the roll call, the vote was yeas 78–Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cowherd, Crecelius, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Faulkner, Fern, Fields, Fitzpatrick, Ford, Garner, Hahn, Hall, Hampton, Hardin, Hays, Hill, Hinkle, Hislope, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, L. F. Morgan, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Peniston, Quinn, Rausch, Ray, Render, Roberts, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Spurrier, Stacy, Steiger, Stidham, Summe, Tanner, Tucker, G. T. White, J. E. White, Wood, Young. Nays 0. **HB 416** was passed and the title agreed to.

Orders of the Day

HB 328 taken from the Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 56—Alexander, Barton, Bates, Baumgardner, Brizendine; Buckman, Caudill, Childress, Clark, Cole, Cook, Cowherd, Crecelius, Dean, Denham, Dexter, Dobyns, Dowell, Farmer, Fern, Fields, Fitzpatrick, Garner, Haley, Hampton, Hardin, Hays, Hill, Hinkle, Hislope, Hopkins, Isler, Lyon, Miles, Miller, Moloney, Moorman, Neel, Nichols, Nolan, Osborn, Ostertag Osting, Peniston, Quinn, Rausch, Ray, Render, Roberts, Slusher, A. C. Smith, Summe, Wathen, J. E. White, Wood, Young. Nays 12—Castle, Chumbler, Edmunds, Ellis, Ford, Lankford, C. H. Martin, Robinson, Virgil Smith, Stacy, Treas, Tucker. **HB 328** was passed and the title agreed to.

HB 485 taken from the Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 77—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Cowherd, Crecelius, Dean, Denham, Dexter, Dobyns, Edmunds, Ellis, Farmer, Fern, Fields, Ford, Hahn, Haley, Hall, Hampton, Hardin, Harris, Hays, Henry, Hill, Hinkle, Hopkins, Irick, Isler, Lankford, Lovins, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, L. F. Morgan, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White, Wood. Nays 0. **HB 485** was passed and the title agreed to.

HB 366 taken from the Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 65 –Alexander, Bates, Brizendine, Buckman, Childress, Clark, Colley, Cook, Paul Cornett, Cowherd, Crecelius, Dean, Dexter, Dobyns, Edmunds, Ellis, Farmer, Faulkner, Fern, Fields, Fitzpatrick, Ford, Garner, Haley, Hall, Hampton, Hardin, Henry, Hill, Hinkle, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Peniston, Qualls, Quinn, Ray, Rayburn, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Steiger, Stidham, Summe, Treas, Tucker, J. E. White, Wood. Nays 5–Castle, Moorman, L. F. Morgan, Render, Glen T. White. **HB 366** was passed and the title agreed to.

HR 79 taken from the Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 61–Alexander, Barton, Bates, Buckman, Childress, Clark, Cole, Colley, Cook, Cowherd, Crecelius, Dean, Dexter, Dobyns, Ellis, Farmer, Faulkner, Fields, Fitzpatrick, Garner, Hahn, Haley, Hampton, Harris, Henry, Hinkle, Hopkins, Irick, Isler, Lankford, Lovins, Ben Martin, C. H. Martin, Miles, Miller, Moorman, Fred Morgan, L. F. Morgan, Neel, Nichols, Nolan, Ostertag, Peniston, Qualls, Quinn, Ray, Rayburn, Render, Roberts, Robinson, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Summe, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood. Nays 7–Brizendine, Denham, Edmunds, Fern, Hays, Hislope, Spurrier. **HR 79** was passed and the title agreed to.

Representative Ray moved to suspend Rules for the purpose of introducing Resolutions. Agreed.

Introduction of Resolution

HR 112, by Representative Ray:

HR 112, A CONCURRENT RESOLUTION relating to housing and property of the General Assembly.

WHEREAS, Section 27 of the Constitution provides: "The powers of the government of the Commonwealth of Kentucky shall be divided into three distinct departments, and each of them be confined to a separate body of magistracy . . . ", and

WHEREAS, it appears that upon adjournment of the General Assembly in past years the Executive Branch of Government has tended to violate this section of the Constitution resulting in considerable loss of property.

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

That the Director of the Legislative Research Commission be and he is hereby ordered and directed, as authorized in KRS 7.100(1), to exclude from the legislative chambers, committee rooms, and offices constituting the third floor of the State Capital Building any kind of occupancy or use other than that expressly directed to be placed on the third floor of the State Capital Building by the General Assembly. Further, he shall be and hereby is directed to take or cause to be taken immediately upon adjournment of the General Assembly a detailed inventory of all property belonging to the Legislative Branch of Government, and furnish such inventory to the Speaker of the House of Representatives and the President of the Senate upon the convening of the next regular session of the General Assembly. Such inventory shall note all property acquired during the period between sessions and all property lost during said period.

Representative Ray moved the adoption of**HR 112**. Agreed.

Order of the Day

HB 356 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 66—Bates, Buckman, C. C. Carter, Earl Carter, Castle, Childress, Clark, Cole, Colley, Cook, Cowherd, Crecelius, Dean, Dexter, Dobyns, Ellis, Farmer, Fern, Fields, Fitzpatrick, Hahn, Haley, Hampton, Harris, Henry, Hill, Hinkle, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, C. H. Martin, Miles, Miller, Moloney, Fred Morgan, L. F. Morgan, Neel, Nichols, Nolan, Ostertag, Osting, Peniston, Quinn, Rausch, Ray, Rayburn, Render, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Treas, Tucker, G. T. White, J. E. White, Wood, Young. Nays 7—Brizendine, Denham, Ford, Garner, Hays, Hislope, Moorman. **HB 356** was passed and the title agreed to.

Representative Caudill moved to suspend Rules for Special Committee to Investigate Department of Education to submit its report. Agreed.

Representative Ray moved to recess for thirty minutes for Rules Committee meeting. Agreed.

Introduction of Bills

HB 530, by Representative Colley: AN ACT relating to income taxes.

HB 531, by Representative Hislope: AN ACT relating to fees of jailers.

HB 532, by Representative Buckman: AN ACT relating to revenue and taxation.

HB 533, by Representatives Chumbler and Lovins: AN ACT relating to searching motor vehicles without a warrant.

HB 534, by Representative Irick: AN ACT relating to the establishment under regulation of drag strips.

HB 535, by Representative Ray: AN ACT relating to the registration of public health sanitarians.

HB 536, by Representative Hislope: AN ACT relating to exemptions from the Veteran's Bonus Sales and Use Tax Law.

HB 537, by Representative Osborn: AN ACT relating to urban renewal and redevelopment.

HB 538, by Representative Barton: AN ACT relating to bad checks.

HB 539, by Representative Cook: AN ACT relating to the merger of school districts in counties containing a city of the first class, amending KRS 160.042 and 160.044.

HB 540, by Representative Wood: AN ACT relating to pinball and similar machines.

HB 541, by Representative Hahn: AN ACT relating to the covering or filling of cisterns, wells or other man-made excavations of the same nature.

HR 110, by Representative Robinson: A JOINT RESOLUTION authorizing and directing the Legislative Research Commission to study the laws relating to school districts.

HR 113, by Representatives Moorman, Rayburn, Young, and Tucker: A CONCURRENT RESOLUTION commending the Louisville and Nashville Railroad Company.

HR 116 by Representative Bates: A HOUSE RESOLUTION directing the Division of Parks of the Department of Conservation to take the necessary steps to establish a state park on land presently owned by the Commonwealth adjacent to the Kentucky Training Home.

Senate Message

Announcing passage of **SB 166, SB 239, SB 231, SB 240, SB 241, SB 260** and **HB 251.**

Report of Committee

Committee on Rules reported **SB 252, SB 253, SB 245, SB 230, HB 477, HB 499, HB 402, HB 504, HB 514, HB 354, SB 235, SB 238, SB 250, HB 531** and **SB 251** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 252, AN ACT relating to Industrial Development Finance Authority.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 154.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) There shall be an Industrial Development Finance Authority in the state government which shall be an agency independent of the Executive Branch.

(2) The authority shall consist of the Commissioner of Banking, the Commissioner of Economic Development, the Commissioner of Economic Security, and the Commissioner of Finance, and five additional members appointed by the Governor, one each to be appointed from lists of nominees submitted by the Kentucky State Bankers Association and the Kentucky Chamber of Commerce, and a third to be a Kentucky member in good standing of the National Association of Securities Dealers, and two from the public at large. The chairman shall be elected by the members from among the non-ex-officio members of the Authority.

(3) Two members initially appointed by the Governor shall be appointed for terms of one year and one member each for two, three and four years, respectively, from the date of their appointment and until their respective successors shall be duly appointed and qualified, the term of each appointed member to be designated by the Governor at the time of his appointment. Their successors shall each be appointed for a term of four years, except that any person appointed to fill a vacancy shall serve only for the unexpired term. Any appointed member of the authority shall be eligible for reappointment.

(4) Members of the authority shall be entitled to no compensation for their services as members, but shall be entitled to reimbursement for all necessary expenses incurred in connection with the performance of their duties as members.

Section 2. For the purposes of carrying out the provisions of KRS 154.001 through 154.170 inclusive, there is hereby appropriated out of the General Expenditure Fund in the State Treasury for operating expenses of the Industrial Development Finance Authority the sum of thirty-five thousand dollars for the fiscal year 1960-1961.

Section 3. There is hereby appropriated out of the General Expenditure Fund in the State Treasury to the Industrial Development Finance Authority Revolving Fund as established by KRS 154.150 the sums of One Million Dollars for the fiscal year 1960-1961, and One Million Dollars for the fiscal year 1961-1962. Any unexpended fund remaining to the credit of the revolving fund at the end of fiscal 1960-1961 shall be carried forward without lapse into fiscal 1961-1962.

SB 253, AN ACT relating to education of exceptional children and making an appropriation and to be known as the "Ware Act".

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of the Kentucky Revised Statutes is enacted to read as follows:

(1) In lieu of the statutory requirements concerning education of exceptional children and until such time as the local boards of education are able to provide adequate instruction and facilities for exceptional children in their respective districts, private schools that are now established and are providing instruction and facilities for exceptional children may qualify as State schools for exceptional children.

(2) To qualify as a State school for the exceptional children a private school shall:

(a) Submit to the State Board of Education with its application for such qualification the names and addressses of the governing body of the school. The State Board of Education may approve or disapprove the governing body as it exists or may appoint such additional members thereto as it deems advisable;

(b) Submit the type of instruction and program now being provided, the qualifications of the instructors employed and the facilities now available. The State Board of Education may approve or disapprove the program, personnel or facilities now existing or it may make its approval contingent on such recommended improvements as it deems advisable.

(3) Once a school has qualified as a State school for exceptional children, the State Board of Education upon the recommendation of the Superintendent of Public Instruction may allow to such school one hundred dollars annually per exceptional child in average daily attendance; provided that such school meets and continues to meet the standards promulgated by the State Board of Education for schools qualifying under this section.

(4) To carry out the provisions of this section there is hereby appropriated from the General Fund in the State Treasury seventy-five thousand dollars for the fiscal year 1960-61 and seventy-five thousand dollars for the fiscal year 1961-62.

SB 245, AN ACT concerning the licensing, regulation and inspection of Homes for the Aged and Infirm.

WHEREAS, for some years the Department of Economic Security has had the authority to license private or public institutions which accept or have facilities available to public assistance recipients, in order to insure that reasonable standards might be maintained for the health and welfare of residents thereof, and

WHEREAS, the increased numbers of aged people in our society is resulting in an increase in the number of personal care homes, with the result that a more specific standard should be established for these homes in order that the residents therein may be properly protected,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The general welfare of our aged, chronically ill or infirm citizens is of prime concern to the people of this state. Therefore, the purpose of this Act is to protect and provide for the general welfare of said citizens by promoting safe and adequate accommodation, care and treatment.

Section 2. The following words and phrases when used in this Act shall have the meanings respectively ascribed to them in this section.

(1) "Home" means, and shall be construed to include any building, structure, agency, institution or other facility not operated by a Federal, State, county or municipal government and which cares for four or more aged or infirm persons, not related to the operator, for twenty-four or more hours in any week. The existence of any such place shall constitute prima facie evidence that it is a home. As used in this Act, the term home shall include but not be limited to:

(a) "Nursing home" means a facility which provides routine medical care in which physicians regularly visit patients, which provides nursing services and procedures employed in and caring for the sick which require training, judgment, technical knowledge, and skills beyond that which the untrained person possesses, and which maintains complete records on patient care.

(b) "Personal Care Home" means a place devoted primarily to the maintenance and operation of facilities for the care of aged or invalid persons who do not require the intensive care normally provided in a hospital or nursing home but who do require care in excess of room, board and laundry.

(2) The term "Persons" means any individual, firm, partnership, corporation, company, association or joint stock association and the legal successor thereof.

(3) The term "Department" means the Department of Economic Security.

(4) The term "Commissioner" means the Commissioner of the Department of Economic Security.

Section 3. All homes shall make provisions for and comply with reasonable standards established by the Department for fire protection and safety, plumbing and sanitation, lighting, heating and ventilation, living arrangements, diet and health facilities, and such other factors as may be necessary to promote the health and welfare of the residents cared for.

Section 4. The Commissioner shall have the power and authority to adopt, amend, and promulgate such rules, regulations and standards as he deems necessary or suitable for the proper administration of this Act, within the limitations and for the purposes described in Section 3 hereof. Any nursing home or hospital licensed under the provisions of Chapter 216 of the Kentucky Revised Statutes shall be entitled to the automatic issuance of a license under this Act, upon receipt of such information as the Commissioner may require concerning it.

Section 5. Inspections of homes shall be made as required by the Commissioner and in accordance with the rules and regulations adopted and promulgated hereunder. Reports of such inspections shall be made in writing and shall be filed with the Commissioner. Free access for inspection shall be given to the home premises at any time.

Section 6. It shall be unlawful for any person to conduct, maintain or operate a home within this state without a license obtained for that purpose from the Department.

(1) An application for a license for a home shall be made in writing to the Department upon forms provided by it and shall be in such form and shall contain such information as the Department requires. Such application shall be signed by the owner or person responsible for the operation of the home, or by the duly authorized officer or responsible agent thereof.

(2) Upon receipt of an application for a license, the Department shall issue a license if the applicant and the home meet the requirements established by the Department.

(3) A license to operate a home shall expire at the end of the fiscal year in which it is issued. It shall not be assignable or transferable, shall be issued only for the person and premises named in the application, shall be posted in a conspicuous place in the home, and may be renewed annually in accordance with such rules and regulations as the Commissioner may promulgate relative to the renewal of such licenses.

(4) All Certificates of Approval issued by the Department of Economic Security for homes which are in force upon the taking effect

of this Act shall continue in force until the date of expiration, unless sooner revoked as provided in this Act.

Section 7. A provisional license may be issued to any home which is temporarily unable to conform to all the rules, regulations and standards established under this Act provided that the issuance of such provisional license shall be approved by other state agencies or authorities authorized by law to adopt, amend and promulgate rules, regulations and standards pertaining to all homes to be licensed by this Act. A provisional license shall remain in effect for a period of time prescribed by the Commissioner but not to exceed twelve months from the date of issuance, provided that the licensee shows evidence of good faith in his efforts to conform to the rules, regulations and standards established under this Act. No more than one Provisional License shall be issued to the same applicant within a three-year period.

Section 8. The Commissioner may deny, suspend or revoke a license on any of the following grounds:

(1) Failure to meet or violation of any of the provisions of this Act or the rules and regulations lawfully promulgated pursuant thereto;

(2) Permitting, aiding or abetting the commission of any illegal or immoral act in the home;

(3) Conduct or practice found by the Commissioner to be detrimental to the welfare of the residents of the home.

Section 9. (1) In any case where the Department refuses to issue, or suspends or revokes a license, written notice shall be given to the applicant or licensee by registered mail, stating the proposed action and grounds therefor, and notifying the applicant or licensee that such license will be refused or revoked unless the applicant or licensee makes application for a hearing before the Commissioner within ten (10) days of such notice. If application for such hearing is made, the Commissioner shall set a time for the hearing, of which ten days' notice shall be given to the applicant or licensee and at the hearing the applicant or licensee shall be entitled to be heard in person or by counsel, and to present witnesses. Following the hearing, the Commissioner shall render a decision in writing setting forth his findings of fact and conclusions of law, and affirming, modifying or setting aside the findings of the Department and shall send a copy thereof to the applicant or licensee by registered mail.

(2) Within twenty (20) days after such decision, any party aggrieved thereby may secure judicial review thereof by filing a petition for review against the Commissioner in the Circuit Court of Franklin County. The petition shall state fully the grounds upon which review is sought, assign all errors relied on, and shall be verified by the petitioner.

With his answer, the Commissioner shall certify and file with the Court all documents and papers, and a transcript of all testimony taken in the matter, and orders made therein, together with the findings of fact and decision therein. If consented to by the petitioner, an abstract of any portion of the record may be certified by the Commissioner in lieu of certifying such portions of the record in full.

The Court in its review of such action shall hear the record as certified by the Commissioner and no other evidence shall be received. The Court shall dispose of the cause in a summary manner, limiting its decision to a determination of whether or not:

(a) There was sufficient probative evidence to support the Commissioner's order.

(b) The regulations upon which the order was based are reasonable.

(c) The Commissioner acted arbitrarily, unlawfully, or in such a manner as to constitute an abuse of discretion.

The Court shall enter judgment affirming, modifying or setting aside the order, or decision, or in its discretion remanding the cause to the Commissioner for further proceedings in conformity with the direction of the Court.

Section 10. Any person conducting, maintaining or operating, or participating in the conducting, maintenance, or operation of a home in this state without a license under this law shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not more than $100.00 for the first offense and not less than $50.00 nor more than $100.00 for each subsequent offense, and each day of continuing violation shall be considered a separate offense.

Section 11. Notwithstanding the existence of pursuit of any other remedy, the Department may in the manner provided by law, maintain an action in the name of the State of Kentucky for injunction or other process against any person or agency to restrain or prevent the establishment, conduct, management or operation of a home without a license under this Act. In any such court proceedings, the Department may apply for and on due showing be entitled to have issued the court's subpoena requiring forthwith the appearance of any defendant and his employees, and the production of documents, books and records as may appear necessary for the hearing of such petition, to testify and give evidence concerning the acts or conduct or things complained of in such application for injunction. In such action the equity courts shall have jurisdiction of the subject matter and a judgment may be entered awarding injunctions as may be proper.

Section 12. KRS 205.300 is hereby repealed.

Section 13. This Act shall become effective on July 1, 1960.

SB 230, AN ACT relating to testimony and services of optometrists.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) The testimony of an optometrist duly licensed under the laws of the Commonwealth of Kentucky shall be received by any official, board, commission or other agency of the Commonwealth or any of its subdivisions or municipalities as qualified evidence with respect to any matter defined in the law as constituting the practice of optometry.

(2) Every such official, board, commission or other agency shall accept the services of duly licensed optometrists without discrimination between optometrists and any other persons authorized by law to render the same professional services, when such services are desired, and shall pay for such services in the same manner as other professions may be paid for the same services.

HB 477, AN ACT relating to bonds of justices.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 25.650 of the Kentucky Revised Statutes is amended to read as follows:

Each justice, shall execute a bond, with good sureties approved by the county judge. The bond shall be for at least five thousand dollars. The bond shall be filed and recorded in the county clerk's office, and an entry made upon the order book of the county court showing that the bond was executed and approved, and giving the names of the sureties. The county judge may at any time require a new bond or additional surety on the old one.

HB 499, AN ACT relating to urban service districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. To serve the public interest and provide a means of meeting problems of local government in urban areas, there may be established and operated under the provisions of this Act an urban services district. Such a district shall be a public body corporate and political subdivision, with power to adopt and use a corporate seal, sue and be sued, contract and be contracted with, and in other ways to function as a municipal corporation or a natural person within the purview of this Act. In addition to the general grants of power of this Act, such a district shall have the specific authority provided for in Chapters 58, 66, 79 and 107 of the Kentucky Revised Statutes. The district shall have the power of eminent domain and shall follow the procedures outlined in KRS 416.120.

Section 2. (1) An urban services district through its council is empowered to:

(a) provide for police and fire protection;

(b) construct and maintain streets, sidewalks, alleys and other drives and walks;

(c) provide library services;

(d) provide for garbage and trash collection and disposal;

(e) provide for street lighting and street cleaning;

(f) acquire, maintain and operate parks and playgrounds;

(g) provide sewer, drainage and treatment services and facilities;

(h) collect fees for services performed and to levy assessments consistent with this Act and in such amounts as the council shall deem necessary to carry out the functions of the district; and

(i) provide other services and engage in other activities, either directly or by contract with a county, a city or other districts, which contracts shall set forth what services are to be provided and how they are to be financed.

(2) An urban services district is prohibited from providing sanitation service that is being provided in the same area by a sanitation district as of the effective date of this Act.

Section 3. (1) The governmental and corporate authority of an urban services district shall be vested in a district council, which shall be the legislative and policy-making body, and a district director, who shall be the chief executive officer and shall preside over meetings of the council. The director may vote as a member of the council in the event of a tie, but not otherwise, and shall have no right of veto over actions of the council.

(2) The council shall be composed of five members, to be elected as provided for in this Act. Members of the council shall be qualified voters of the district, and a member shall vacate his position by removal of his residence from the district. Vacancies on the council shall be filled by appointment by the Governor for the remainder of the term. Members shall serve until their successors are elected and qualified.

(3) The council shall establish departments, offices or agencies to carry out the functions and services of the district and prescribe their powers and duties. The council shall meet regularly at least once in each month, and special meetings may be called by the director or on the call of three or more members of the council.

(4) The council may determine its own rules and order of business, and may adopt rules and regulations for the functioning of the district to supplement the provisions of this Act. Each member of the council shall be paid a salary to be fixed by the council.

Section 4. The director shall, as the chief executive officer of the district, appoint and remove heads of departments of the district, with the approval of the council, appoint and remove other employes of the district, supervise their activities, and fix their compensation, subject to regulations adopted by the council. He shall receive such compensation as may be fixed by the council. No person shall be eligible to be elected director unless he is a resident of the district, and shall vacate his office by removal of his residence from the district. In the event of a vacancy in the office of director, it shall be filled by appointment by the Governor for the remainder of the term.

Section 5. (1) The question of the establishment of an urban services district shall be submitted to the voters of the district if a petition bearing the signatures of the number of registered voters of the area to be embraced within the district equal to at least ten percent of the vote cast for county judge in that district at the last election is filed with the county court. The election on creation of the district shall be held at the next regular election if the petition is filed at least ninety days prior to the date for the regular election. The petition shall state that establishment of the district is being sought pursuant to the provisions of this Act, shall state the official name by which the district shall be known, and shall prescribe the territory intended to be included in the district.

(2) If the county court finds the petition is in proper order and the creation of the district will be in accordance with the provisions of this Act, a certified copy of the order of the county court directing that the question be submitted to a vote shall be filed with the county court clerk at least forty-five days prior to the next regular election. The county court clerk shall give notice of the petition by publishing it in two consecutive editions of a newspaper of general circulation within the proposed district. The county court clerk shall cause the question to be submitted to a vote at the election. The question shall be in the following form: "Are you in favor of establishing———— (Name of District) as an urban services district?" If a majority of those voting on the question vote in the affirmative, the district shall be established. The cost of the election shall be paid by the fiscal court.

Section 6. The Governor shall, immediately upon certification that the district has been established, appoint a qualified person as director and five qualified persons as members of the council.

Section 7. The council shall designate a qualified administrative officer of the district to assume the duties and authority of the director during periods of temporary absence or disability of the director.

Section 8. A civil service system for employes of the district may be established by the council in accordance with the plan outlined for cities of the first class under KRS 90.110 to 90.240.

Section 9. (1) The area of a city or of another district may be added to the area of an urban services district by an agreement between the district council and the legislative body of the city or governing board of another district. Territory in an unincorporated area may be added to the urban services district upon approval by the council and the county court when a petition signed by fifty-one percent of the registered voters of that territory is filed in the county court.

(2) An urban services district may include territory in two or more counties. In the organization, conduct of elections and expansion of such districts, the county court and the county court clerk of each county shall perform the duties provided for by this Act in relationship to the territory and voters of the district within that county.

HB 402, AN ACT relating to constables and their deputies.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 64.210 of the Kentucky Revised Statutes is amended to read as follows:

Fiscal courts of counties containing a city of the first class shall authorize the payment of seventy-five dollars per month out of the county treasury to constables and deputy constables using their own automobile in the performance of their official duties.

HB 504, AN ACT relating to child labor.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 339.230 of the Kentucky Revised Statutes is amended to read as follows:

A minor who has passed his fourteenth birthday but is under sixteen years of age may be employed, permitted or suffered to work in, about or in connection with any gainful occupation, except:

(1) He may not be employed during regular school hours, unless:

(a) He has been granted a special employment certificate in accordance with the provisions of KRS 339.260, and then only in such occupations as are authorized in accordance with that section; or

(b) The school authorities have made arrangement for him to attend school at other than the regular hours, in which event he may be employed subject to KRS 339.260, during such of the regular school hours as he is not required to be in attendance under the arrangement; or

(c) He has graduated from high school.

(2) He may not be employed:

(a) In the manufacture, transportation, or use of explosives or highly inflammable substances; in or about mines or quarries; in any tunnel or excavation; in logging operations or in any sawmill, lathe mill, shingle mill, or cooperage stock mill; as engineers, firemen, brake-men, or switchmen on any railroad; in the operation of motor vehicles; upon any scaffolding or in heavy construction work; in operating steam boilers carrying a pressure of fifteen pounds or more; in operating or assisting in operating elevators, cranes, derricks, or hoists; in operating or assisting in operating any punch presses or stamping machines, metal or paper cutting machines having a guillotine action, metal shears or plate bending machines, machines used for cold rolling of heavy metal stock, woodworking machines, grinding, abrasive or polishing machines, laundry or dry cleaning machines, calendar rolls or mixing rolls in paper or rubber manufacturing, dough breakers or dough mixing machines, or machines used for opening, picking or carding of cotton or wool; in ore reduction works; smelters; hot rolling mills; plant manufacturing iron and steel; foundries; forging shops, and in any other place in which the heating, melting, or heat treatment of metals is carried on; in the manufacture or use of dangerous or poisonous dyes or chemicals and their compounds, or in the manufacture of lead, or in exposure to lead or its compounds; in any occupation involving exposure to radioactive substances; in oiling or cleaning machinery in motion; in stone cutting or polishing; or in assorting, manufacturing or packing tobacco.

(b) In, about or in connection with any establishment where alcoholic liquors are distilled, rectified, compounded, brewed, manufactured, bottled, sold for consumption or dispensed (except he may be employed in places where the sale of alcoholic beverages by the package is merely incidental to the main business actually conducted), or in a pool or billiard room.

(c) In any place of employment, or at any occupation, that is hazardous or injurious to the life, health, safety or welfare of such minor.

(3) A female minor of such age may not be employed in the distribution or sale of newspapers, magazines or periodicals, or in the street occupations of peddling or bootblacking or in any other occupation pursued in any street or public place.

HB 514, AN ACT changing the classification of the City of Hindman, in Knott County.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of the City of Hindman, in Knott County, is such as to justify its being classified as a city of the fifth class.

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The City of Hindman, in Knott County, is transferred from the sixth to the fifth class of cities.

HB 354, AN ACT relating to circuit clerks' fees.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 64.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) Circuit clerks shall be paid out of the State Treasury for the following fees:

Certified list of grand or petit jurors to the sheriff or other officer	$ 0.25
Filing same when returned by sheriff, and writing names of jurors on slips of paper	.25
Order excusing juror, for each juror excused, except regular panel	.25
Noting names of standing jurors on order book	.25
Order for sheriff or other officer to summon other jurors, each order	.10
Noting on order book the allowance to grand or petit jurors, each	.02
Order appointing and swearing jury commissioners	.25
Furnishing to jury commissioners names of persons exempted from service	.25
Recording receipt of envelope of sealed return of jury commissioner, and the oath of clerk and deputy	.25
In Commonwealth cases, in addition to other fees, ten percent of all fines and forfeitures recovered in their respective courts and paid into the State Treasury.	
In inquests on persons alleged to be feeble-minded, lunatics or pauper idiots	10.00

(2) (a) Circuit clerks shall be paid ten dollars out of the State Treasury for services rendered for the Commonwealth in each prosecution for felony in their respective courts, except those in which the defendant is convicted only of a misdemeanor. A verified statement of such services must first be made out by the clerk and endorsed "Examined and approved" by the regular judge and Commonwealth's attorney, and filed with the Department of Finance after the case has been taken from the docket of the court. In all cases of conviction for a felony the fee of ten dollars herein allowed shall be taxed against the defendant as costs in favor of the Commonwealth.

(b) If a felony indictment is quashed or dismissed with leave granted to resubmit the charge to a grand jury, and a subsequent indictment is returned for the same crime, or any degree thereof consisting of a felony, the prosecution shall be deemed a continuous one for the purposes expressed in this subsection; but if no indictment is procured or returned upon resubmission, before the expiration of the term after the term reciting the order of resubmission, the clerk may claim and has his fee paid immediately.

(3) When the Commonwealth appeals from a judgment in a felony case, the circuit clerk shall be paid ten dollars, in the same manner stated in subsection (2) (a) of this section, for making out and certifying a transcript for the appeal.

SB 235, AN ACT relating to the regulation, conservation and production of oil and gas.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. It is hereby declared to be the public policy of this Commonwealth to foster conservation of all mineral resources, to encourage exploration for such resources, to protest correlative rights of land and mineral owners, to prohibit waste and unnecessary surface loss and damage and to encourage the maximum recovery of oil and gas from all deposits thereof now known and which may hereafter be discovered; and to promote safety in the operation thereof. To that end, this Statute is enacted and shall be liberally construed to give effect to such public policy.

Section 2. As used in this Act, unless the context otherwise required:

(1) "Department" means the Department of Mines and Minerals as defined in KRS 351.010.

(2) "Chief" means the Chief of the Department of Mines and Minerals as defined in KRS 351.010.

(3) "Director" means the Director of Oil and Gas Conservation as provided in Section 4 of this Act.

(4) "Person" means any natural person, corporation, association, partnership, receiver, governmental agency subject to this Act, trustee, so-called common law or statutory trust, guardian, executor, administrator or fiduciary of any kind.

(5) "Oil" means natural crude oil or petroleum and other hydrocarbons, regardless of gravity, which are produced at the well in liquid form by ordinary production methods and which are not the result of condensation of gas after it leaves the underground reservoir.

(6) "Gas" means all natural gas, including casinghead gas, and all other hydrocarbons not defined above as oil.

(7) "Pool" means an underground reservoir containing a common accumulation of oil or gas or both. Each productive zone of a general structure which is completely separated from any other zone in the structure, or which for the purpose of this Act may be so declared by the department, is covered by the word "pool" as used herein.

(8) "Abandoned", when used in connection with a well or hole, means a well or hole which has never been used, or which, in the opinion of the department, will no longer be used for the production of oil or gas or for the injection or disposal of fluid therein.

(9) "Workable bed" means:

(a) A coal bed actually being operated commercially;

(b) A coal bed that the department decides can be operated commercially and the operation of which can reasonably be expected to commence within not more than ten years; or

(c) A coal bed which, from outcrop indications or other definite evidence, proves to the satisfaction of the chief to be workable, and which, when operated, will require protection if wells are drilled through it.

(10) "Well" means a borehole drilled, or proposed to be drilled, for the purpose of producing natural gas or petroleum, or one through which natural gas or petroleum is being produced, or a borehole drilled or proposed to be drilled for the purpose of injecting any water, gas or other fluid therein or one into which any water, gas or other fluid is being injected.

(11) "Operator" means any person who proposes to or does locate, drill, operate or abandon any well.

Section 3. (1) This Act shall apply to all lands located in the Commonwealth, however owned, including any lands owned or administered by any government or any agency or political subdivision thereof, over which the Commonwealth has jurisdiction under its police power.

(2) The waste of oil and gas is hereby prohibited. The waste prohibited includes physical waste as that term is generally understood in the oil and gas industry and includes:

(a) The locating, drilling and producing of any oil or gas well, or wells drilled, deepened, or re-opened contrary to any provision of, or any order, rule or regulation promulgated or issued under this Act;

(b) Permitting the migration of oil, gas or water from the stratum in which it is found into other strata, thereby ultimately resulting in the loss of recoverable oil or gas, or both;

(c) The drowning with water of any stratum or part thereof capable of producing oil or gas in paying quantities, except for secondary recovery purposes, or in hydraulic fracturing or other completion practices;

(d) The unreasonable damage to underground, fresh or mineral water supply, workable coal seams, or other mineral deposits in the operations for the discovery, development, production or handling of oil and gas; and

(e) The unnecessary or excessive surface loss or destruction of oil or gas.

(3) The production of oil or gas from any well in any pool unless a permit has been issued as required by this Act, or in violation of the spacing provisions of this Act is prohibited; except that this subsection shall not prohibit the continuation of production of oil or gas from a well producing oil or gas at the effective date of this Act.

Section 4. (1) The Governor shall appoint, as Director of Oil and Gas Conservation in the Department of Mines and Minerals, a person who has, at the time of his appointment, at least five years experience in the exploration for or the production of oil or gas.

(2) It shall be his duty to administer the provisions of this Act subject to the direction and supervision of the chief.

(3) Before taking office, the director shall take oath, which shall be certified by the officer administering it. The oath, in writing, and the certificate shall be filed in the office of the Secretary of State.

(4) No director shall, while holding office, acquire any financial interest, directly or indirectly, in any venture or activity for the exploration for or production of oil or gas in this Commonwealth.

Section 5. (1) The Governor shall appoint an Advisory Board in the department composed of five residents of this Commonwealth whose principal occupation for at least fve years has been the exploration for or production of oil or gas in Kentucky.

(2) The Advisory Board shall be subject to the call of the chief or director for advice and consultation concerning:

(a) The promulgation of rules and regulations pertaining to the conservation of oil and gas, and amendments thereto.

(b) Technical information and operations concerning the improvements of methods, conditions, and equipment for the production of oil or gas.

(c) The proper drilling, casing and plugging of oil or gas wells.

(d) The issuing of permits to drill oil or gas wells.

(e) Any and all other subjects about which the chief or director should seek information in relation to the oil and gas industry.

(3) Each member of the Advisory Board shall be paid his necessary traveling and other expenses incurred on account of and when engaged in the discharge of his official duties.

(4) This section shall have no application to areas underlaid by coal bearing stratum.

Section 6. (1) The Department is authorized and it shall be its duty to administer and enforce this Act, all rules and regulations promulgated and orders issued hereunder, and to conduct such investigations as it deems necessary.

(2) The Department is hereby granted authority and jurisdiction over all persons and property necessary for such purposes.

Section 7. Without limiting its general authority, the Department shall have the specific authority to require of and from all operators of any oil or gas property in this Commonwealth;

(1) Identification of producing leases;

(2) The making of driller's logs, and filing of all logs and downhole surveys made;

(3) The drilling, casing, operation and plugging of well in such manner as to prevent (a) the escape of oil or gas from one pool into another, or into mineral bearing stratum, (b) the detrimental instrusion of water into an oil or gas pool or into mineral bearing stratum that is avoidable by efficient operations, (c) blow-outs, cavings, seepages, and fires;

(4) The furnishing of a reasonable performance bond with good and sufficient surety, conditioned on compliance with all provisions of this Act, and all rules, regulations and orders promulgated and issued hereunder; and

(5) The filing of the reports and plats with the department for transmittal to the Kentucky Geological Survey as may be prescribed by rules and regulations promulgated hereunder. All such reports and plats shall be transmitted by the department to the Kentucky Geological Survey within thirty days after receipt thereof by the department.

Section 8. Without limiting its general authority, the department shall regulate:

(1) The drilling and plugging of all wells;

(2) The spacing or locating of wells;

(3) The use of vacuum; and

(4) Make recommendations to the Water Pollution Control Commission as to disposal of salt water and oil field wastes.

Section 9. (1) No person shall drill or deepen a well, or reopen a plugged well for the production of oil or gas or for the injection of water, gas or other fluid into any oil or gas producing formation (except seismograph test holes, water supply wells, and geological or structure test holes) after the effective date of this Act until such person shall obtain a permit from the department.

(2) When any applicant for a permit as required by this section has complied with the provisions of Chapter 353 of the Kentucky Revised Statutes and the provisions of this act and all rules and regulations promulgated hereunder, the Department shall issue the permit.

(3) The department may authorize the commencement of the drilling, deepening or reopening of any well prior to the issuance of a permit therefor; except if the location of the well is known to be underlaid by a coal-bearing stratum and consent of the owner, operator, and lessee of the coal-bearing stratum has not been granted. Consent shall be implied, when the coal-bearing stratum is owned by the oil and gas lessor or lessee, and the coal is not under lease to any third party.

Section 10. (1) Each permit issued under this Act shall expire one year after the date issued, unless the drilling, deepening or reopening of a well is commenced pursuant thereto prior to the expiration of the one-year period.

(2) All permits issued by the department under any previous Act shall continue in force as written, only if the drilling of the well has been commenced pursuant thereto on or before sixty days after the effective date of this Act.

Section 11. (1) Any person, seeking a permit required by Section 9 of this Act, shall submit to the department a written application in such form as may be prescribed by the department.

(2) Each application shall be accompanied by a specified fee. The fee shall be twenty-five dollars for each well to be drilled, deepened or reopened for the production of oil or gas; ten dollars for each well to be drilled, deepened or reopened for the injection of water, gas or other fluid therein; and ten dollars for each well to be drilled, deepened or reopened as a part of a program for the recovery of oil and gas by secondary recovery methods, except that the fee in no event shall exceed one hundred dollars for the permits issued in this last case for all wells on each separately leased tract.

(3) All money paid to the State Treasurer for licenses and fees required by this Act shall be for the sole use of the department and shall be in addition to any monies appropriated by the General Assembly for the use of the department.

(4) Each application shall be accompanied by a plat, which shows the location and elevation of each well, prepared according to the rules and regulations promulgated under this Act. The plat shall be certified as accurate and correct by the applicant, a qualified employee of the applicant, a person approved by the Department, or an engineer registered in Kentucky, provided that when the location of the well is known to be underlaid by coal bearing stratum, such plat shall be certified accurate and correct only by an engineer registered in Kentucky. If any plat submitted by an applicant is determined by the Department to be materially inaccurate or incomplete, the Department may require that a new plat be prepared and submitted either by a person approved by the director or an engineer registered in Kentucky. The Department may further require that all future plats submitted by such an applicant be prepared either by a person approved by the director or an engineer registered in Kentucky.

Section 12. (1) If the location of any well proposed to be drilled, deepened or reopened is known to be underlaid by a coal-bearing stratum, wihch is not in operation, owned by a person other than the oil and gas lessor or lessee; then, simultaneously with the filing of an application for a permit, the applicant shall send by registered or certified mail a copy of the required plat to the record owner or owners, and lessee.

(2) If the coal-bearing stratum is under operation, a copy of the required plat shall also be sent to each coal operator, operating any stratum.

(3) Any agent of the coal operator, or the superintendent in actual charge of a mine may be considered as a coal operator, and any process agent or other agent or person in charge of the coal for him may be considered the owner for the purpose of mailing the required copy of the plat.

(4) If the address of any record owner is unknown to the applicant and can not upon diligent inquiry within the county be ascertained, or if there are more than five record owners; then, if the applicant shall file with the department an affidavit that either condition exists, the department may prescribe some different method of notifying record owner in lieu of sending a copy of the plat as required by this section or may dispense with the requirements of this section.

Section 13. (1) Except as provided in this Act, no permit shall be issued for the drilling, deepening or reopening of any well for the production of oil, unless the proposed location of the well shall be at least two hundred feet from the nearest boundary of the premises upon which the well is to be drilled, deepened or reopened; and, if the proposed location is less than four hundred feet from any boundary line of the premises, the proposed location must be at least four hundred feet from the nearest oil producing well. This subsection shall not be construed to regulate the distance between wells which do not produce oil for the same pool.

(2) Except as provided in this Act, no permit shall be issued for the drilling, deepening or reopening of any well for the production of gas unless the proposed location of the well shall be at least five hundred feet from the nearest boundary of the premises upon which such well is to be drilled, deepened or reopened; and, if the proposed location is less than one thousand feet from any boundary line of the premises, the proposed location must be at least one thousand feet from the nearest gas producing well. This subsection shall not be construed to regulate the distance between wells which do not produce gas from the same pool.

(3) This section shall not apply (a) to wells drilled, deepened or reopened for the injection of water, gas or other fluids into an oil or gas producing formation; (b) to any well drilled, deepened or reopened in a pool or portion thereof, which is included in a secondary recovery program commenced or proposed, if the location or proposed location of the well conforms to a geometric pattern already established on all premises which will be offset and affected by the well; or (c) to premises within the limits of any incorporated city, town or village which has enacted or enacts hereafter an ordinance regulating the location or spacing of wells for the production of oil and gas at distances of not less than the distances prescribed in this section.

Section 14. (1) Notwithstanding Section 13 of this Act, if an application is submitted for a permit to drill, deepen or reopen a well closer to a boundary or to another well than prescribed in Section 13 and the application is accompanied by the written consent of all owners of oil and gas interests in any premises which will be offset by the proposed well, the department shall issue a permit for the well.

(2) Notwithstanding Section 13 of this Act, the department may issue a permit for a well to be drilled, deepened or reopened closer to a boundary or another well than prescribed in Section 13 of this Act; if the director, after notice and hearing, finds that topographical or other condtions are such as to make compliance with the requirements of Section 13 of this Act unduly burdensome or in conflict with reasonably prudent methods and practices for the production of oil or gas.

(3) If a permit is issued to drill, deepen or reopen a well under this section at a location closer to a well or boundary than prescribed in Section 13 of this Act, the department shall permit a like variance form the requirements of Section 13 of this Act on all premises off-set and adversely affected by the well.

Section 15. (1) Whenever any separate tract of land is so situated because of size or other condition that it does not contain a location at which a well for oil or gas may be drilled, deepened or reopened by reason of the spacing provisions of Section 13 of this Act, the department shall order, after notice and a hearing, the pooling of all oil and gas interests in the separate tract or in a portion thereof with all like interests in a contiguous tract or tracts, or portions thereof, as are necessary to afford the pooled tracts one location for the drilling, deepening or reopening of a well for the production of oil or gas in compliance with the spacing requirements of this Act. The department shall require the development and operation of all pooled tracts as a single leasehold estate in accordance with regulations and rules promulgated under this Act.

(2) No pooling as permitted by this section shall be ordered except:

(a) After an application to drill, deepen or reopen a well for the production of oil upon the tract or within four hundred feet of the tract, or after an application for a permit to drill, deepen or reopen a well for the production of gas upon the tract or within one thousand feet of the tract has been submitted; and

(b) After a lessee or owner of an oil or gas interest in the tract shall request the pooling;

(3) No pooling as permitted by this section shall be ordered with respect to any tract or portion thereof upon which a well is drilled, deepened or reopened:

(a) Unless the pooling was requested prior to the commencement of the drilling, deepening or reopening of the well by a lessee or owner of an oil and gas interest in a contiguous tract which does not contain a location at which a well for oil or gas may be drilled, deepened or reopened; and

(b) Unless the request, if made by the owner of an operating interest who elects to participate in the risk and cost of the drilling, deepening or reopening of the well, is accompanied by a bond or other security satisfactory to and in an amount set by the director for the payment of such owner's share of the cost of drilling, deepening or reopening the well.

(4) From and after the date of the pooling all operations, including the commencement, drilling or operating of a well for the production of oil or gas, upon any tract or portion thereof pooled under this Act with one or more other tracts or portions thereof shall be deemed for all purposes the conduct of such operations upon which tract or portion thereof included in the pooling; and that portion of production from the well shared by all owners of each tract or portion thereof included in the pooling shall be deemed to have been actually produced from the tract or portion thereof by a well drilled thereon.

Section 16. (1) A pooling order shall be made only after notice to all persons owning an oil or gas interest in any tract proposed to be pooled with another tract, and after a hearing.

(2) A pooling order shall authorize the drilling, deepening or reopening, and the operation of a well for the production of oil or gas on the tracts or portions thereof pooled; shall designate the operator to drill and operate the well; shall prescribe the time and manner in which all owners in the pooled tracts or portions thereof may elect to participate therein; shall provide that all reasonable costs and expenses of drilling, deepening or reopening, and the completing, operating, plugging and abandoning the well shall be borne, and all production from the well shall be shared by all owners of operating interests in proportion to the net mineral acres in the pooled tracts owned or under lease to each owner; and shall make provision for the payment of the reasonable actual cost thereof, including a reasonable charge for supervision, by all those who elect to participate therein.

(3) Upon request a pooling order shall provide one or more just and equitable alternatives whereby, an owner of an operating interest, who does not elect to participate in the risk and cost of the drilling, deepening or reopening of a well.

(a) May elect to surrender his interest or a portion thereof to the participating owners on a reasonable basis and for a reasonable consideration which, if not agreed upon, shall be determined by the director; or

(b) May elect to participate in the drilling, deepening or reopening of the well on a limited or carried basis upon terms and conditions determined by the director to be just and reasonable.

(4) A certified copy of any pooling order entered under this Act shall be entitled to be recorded in the office of the County Court Clerk of the county or counties in which all or any portion of the pooled tract

is located, and the record of the order, from the time of lodging the order for record, shall be notice of the order to all persons.

Section 17. (1) If one or more of the owners of any operating interest in any portion of the pooled tract shall drill, deepen or reopen and operate, or pay the costs of drilling, deepening, or reopening and operating a well for the benefit of another owner of an opening interest, as provided in the pooling order, then such owner or owners shall be entitled to the proceeds from the share of production from the tracts or portions thereof pooled accruing to the interest of such other owner, exclusive of any royalty reserved in any lease or leases of such tracts or portions thereof or exclusive of 1/8 of production attributable to all unleased tracts or portions thereof, until such proceeds equal the sums payable by or charged to the interest of the other owner plus a reasonable charge for interest on such sums.

(2) If a dispute shall arise as to the costs of drilling, deepening or reopening, and operating a well, the director shall determine and apportion the costs.

Section 18. (1) Any person to whom a permit is issued pursuant to this Act shall file, within ninety days after termination of operations conducted under the permit, with the department for transmittal to the Kentucky Geological Survey on forms to be furnished by the department the following information relating to the well:

(a) A copy of the driller's log certified to be true and accurate;

(b) The depth and thickness of all water zones encountered and logged;

(c) The depth of all showings of oil or gas;

(d) The depth and thickness of all coal seams encountered; and

(e) A true copy of all electrical surveys and similar logs and surveys taken.

(2) Upon request by the department any person to whom a permit is issued shall save for the Kentucky Geological Survey samples of all cuttings from the well drilled or deepened pursuant to the permit for a period of ninety days after completion thereof.

(3) Upon request by any person furnishing information under this section, the information shall be kept confidential for a period of one year after the information is furnished by such person.

Section 19. (1) All rules, regulation and amendments promulgated under this Act shall be promulgated by the department after notice and a hearing. At all hearings held to consider any rules, regulation or amendment thereto, any interested person shall be entitled to be heard.

(2) All hearings held under this Section shall be held at such time and place as is specified by the department, and according to rules and regulations promulgated under this Act. A written record of each hearing shall be kept, unless the keeping of a record shall be waived

by all parties who participate therein. All interested persons shall be entitled to be heard at all hearings conducted under this Act.

(3) The director, or his representatives, shall attend all hearings under this Section conducted by the department.

(4) All rules, regulations and orders promulgated or issued under this Act shall be in writing, shall be entered in full and indexed in books to be kept by the department for that purpose, shall be public records open for inspection at all times during office hours, and shall be filed in accordance with the provisions of KRS 13.085. A copy of any rule, regulation or order, certified by the chief or director, shall be received in evidence in all courts of this Commonwealth without any further authentication hereof.

Section 20. (1) Any notice required by this Act shall be given by any one or more of the following methods:

(a) Personal service;

(b) The United States mail registered or certified postage prepaid and addressed to the last known mailing address of the person or persons to whom notice is required; or

(c) Publication in three consecutive issues of a newspaper in general circulation in the county or counties where the land affected is situated; except, for hearing required by subsection (1) of Section 19 of this Act, publication may be had in three consecutive issues of a newspaper or oil and gas industry publication in general circulation throughout the state;

(2) Notice of all hearings held under this Act shall be mailed to all persons who shall specify to the department an address to which all such notices may be mailed. Notice mailed to such a person at the given address shall be sufficient notice to the person for all purposes of this Act.

(3) The date of service shall be on the date on which service was made in the case of personal service; the date of last publication in the case of notice by publication; and the date of mailing in the case of notice by mail.

(4) The notice shall issue in the name of the Commonwealth; shall be signed by the department; shall specify the style and number of the proceedings, the time and place of the hearing, and shall briefly state the purpose of the hearing.

(5) If notice is given by personal service, service may be made by an officer authorized to serve process, or by any agent or employee of the department in the same manner as is provided by law for the service of process in civil actions in the courts of the Commonwealth. Proof of service by the agent or employee shall be by affidavit of the agent or employee making personal service.

Section 21. (1) The department shall have the power to summon witnesses, to administer oaths, and to require the production of pertinent records, books, and documents for examination at any hearing or investigation conducted under this Act.

(2) Upon failure or refusal on the part of any person to comply with a subpoena issued under this section, or upon the refusal of a witness to testify as to any matter regarding which he may be interrogated and which is pertinent to the hearing or investigation; any court or record in the Commonwealth upon the application of the chief may issue an attachment for the person and compel him to comply with the subpoena, and to attend before the department, produce records, books and documents for examination, and to give his testimony. The court shall have the power to punish for contempt as in the case of disobedience to a like subpoena issued by the court, or for refusal to testify.

Section 22. (1) Any person aggrieved by any order issued by the department under this Act shall have the right to bring a civil action for review of the order by filing a complaint in the Circuit Court of the county in which the premises or any portion thereof affected by the order is located, or in the Franklin Circuit Court.

(2) The suit shall be brought within thirty days after the order is issued, and in event no suit is filed within the thirty-day period, the order shall be final.

(3) In the suit the burden of proof shall be upon the party complaining of the order, and the order shall be deemed prima facie valid. Any party to the suit may offer in evidence all or any part of the record of the hearing which resulted in the order, and any other relevant evidence.

(4) The practice, pleading and proceedings in the suit shall be in accordance with the Rules of Civil Procedure.

(5) In the suit the court may stay the order until the court shall enter its decree. The court shall have jurisdiction to enter a decree affirming or setting aside the order or remanding the cause with directions to modify the order so that it shall conform to the provisions of this Act. Appeals may be taken by any party to the suit in the same manner and to the same extent as in other civil actions.

Section 23. (1) Whenever it appears that any person is violating or threatening to violate any provision of this Act, or any rule, regulation or order promulgated or issued under this Act, the department may bring suit against the person in the Circuit Court of the county where the violation occurred or is threatened, or in the county in which the defendant resides or in which any defendant resides if there is more than one defendant, to restrain the person from continuing the violation or from carrying out the threatened violation. In such a suit the court shall have jurisdiction to grant without bond or other undertaking the prohibitory or mandatory injunction as the facts may warrant, including a temporary restraining order or injunction.

(2) If the department shall fail to bring suit to enjoin a violation or threatened violation of any provisions of this Act, or any rule, regulation, or order promulgated or issued under this Act within ten days after receipt of a written request to do so by any person who is or will be adversely affected by the violation, the person making the request may bring suit in his own behalf to restrain the violation or threatened violation in any court in which the department might have brought suit. The department shall be made a party defendant in the suit in addition to the person allegedly violating or threatening to violate a provision of this Act, or any rule, regulation or order promulgated or issued under this Act.

(3) Whenever it appears that any person is violating any provision of this Act, or any rule, regulation or order promulgated or issued hereunder, the Attorney-General or any person who is adversely affected by the violation may bring suit to restrain the violation in any court in which the department might have brought suit. The department shall be made a party defendant in the suit in addition to the person allegedly violating a provision of or any rule, regulation or order promulgated or issued under this Act.

Section 24. (1) Any person, who continues to violate any provision of this Act, or any rule, regulation or order promulgated or issued under this Act after being notified in writing of the violation by the department shall be subject to a fine of not more than two hundred dollars or imprisonment for a term not exceeding thirty days, or both.

(2) Any person, who does any of the following for the purpose of evading or violating this Act, or any rule, regulation, or order promulgated or issued under this Act, shall be subject to a fine of not more than two hundred dollars or imprisonment for a term not exceeding thirty days, or both.

(a) Makes or causes to be made a false entry or statement in a report, record, account, or memorandum, required by this Act, or by any rule, regulation or order;

(b) Omits or causes to be omitted from a report, record, account or memorandum full, true, and correct entries and information as required by this Act, or by any rule, regulation, or order;

(c) Removes from this Commonwealth or destroys, mutilates, alters or falsifies a report, record, account or memorandum as required by this Act, or by any rule, regulation, or order.

Section 25. This Act shall not be construed to authorize any limitation of production of oil or gas from any well, lease, pool, field or property to prevent or control economic waste or to limit production to market demand.

Section 26. Nothing in this Act is intended to or shall be construed as superseding, impairing, abridging or affecting any contractual rights or obligations now or hereafter existing between the respective owners of oil, gas, coal, or other minerals, or any interests therein.

SB 238, AN ACT relating to appeals.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 21.085 of the Kentucky Revised Statutes is repealed.

Section 2. Subsection (5) of Section 66.310 of the Kentucky Revised Statutes is amended to read as follows:

An appeal may be taken from the circuit court to the Court of Appeals in the manner provided in the Rules of Civil Procedure. The appeal may be advanced for immediate hearing and submission.

Section 3. Subsection (1) of Section 75.010 of the Kentucky Revised Statutes is amended to read as follows:

Upon a petition signed by at least fifty-one percent of the voters, as determined by the registration books covering such territory, and living within the boundary of a proposed fire protection district filed in the circuit court clerk's office of the county in which the greater part of such territory is located, not less than twenty days before the commencement of the next regular term of said court, and in courts of continuous sessions not less than twenty days before the first day of the next calendar month, notice of the filing of such petition and the object thereof having been published in two issues of some newspaper of general circulation in the county, and by notices posted for at least ten days before the commencement of the said court, one at the courthouse door, and three others at public places within the bounds of the proposed fire protection district, the petition setting out the metes and bounds of the proposed fire protection district, the number of voters thereof, and such other facts as may be thought proper, on the second day of the term, and in courts of continuous session on the day provided for in such notice, the court shall, if the proper notice has been given, and publication made, and no written objection, remonstrance or defense is interposed, enter a judgment establishing a fire protection district in accordance with the prayer of the petition, naming it, and describing the boundary thereof by metes and bounds. Defense, objection or remonstrance may be made to the petition by any inhabitant of the proposed fire protection district, or any or remonstrance is made, the court shall hear and determine person owning property therein, and if defense, objection the same, and render a judgment establishing or refusing to establish the fire protection district as may seem proper. The pleadings and practice as herein provided shall be the same in equity cases, as nearly as may be practicable, with right of appeal to the Court of Appeals in accordance with the Rules of Civil Procedure. Such appeal shall be advanced upon the docket.

Section 4. Subsection (1) of Section 75.020 of the Kentucky Revised Statutes is amended to read as follows:

The territorial limits of an established fire protection district, as established under KRS 75.010 to 75.080, may be enlarged or diminished in the following way: The fire protection district trustees shall file a petition in the circuit court clerk's office of the county in which that district and the territory to be annexed or stricken off, or the greater part thereof, is located, not less than thirty days before the next regular term of said court, and in courts of continuous session not less than thirty days before the first day of a succeeding calendar month, describing the territory to be annexed or stricken and setting out the reasons therefor. Notice of the filing of such petition shall be given by publication and posting in the same manner as provided for in KRS 75.010. On the second day of the term, and in courts of continuous session on the day fixed in the notice, the court shall, if the proper notice has been given, and publication made, and no written defense, objection or remonstrance is interposed enter a judgment annexing or striking off the territory described in the petition. Fifty-one percent or more of the freeholders of the territory sought to be annexed or stricken off may, at any time before the next regular term of said court, and in courts of continuous session at any time before the date fixed in the notice, remonstrate in writing, filed in the clerk's office, to the action proposed. If such written remonstrance be filed said clerk shall promptly give notice to the trustees of the fire protection district, and the court shall promptly set the case for a hearing. If, upon such hearing, the court finds from the evidence that a failure to annex or strike off such territory will materially retard the functioning of the fire protection district and materially affect adversely the owners and inhabitants of the territory sought to be annexted or stricken off, it shall enter a judgment granting the annexation or striking off of the territory. In the latter event, no new petition to annex or strike off all or any part of the same territory shall be entertained for a period of two years. The pleadings and practice herein provided shall be the same as in equity cases, as nearly as may be practicable, with right of appeal to the Court of Appeals in accordance with the Rules of Civil Procedure. Such appeal shall be advanced upon the docket.

Section 5. Section 100.970 of the Kentucky Revised Statutes is amended to read as follows:

Appeals to the Court of Appeals from judgments and appealable orders of the circuit courts arising under the planning and zoning laws of this Commonwealth shall be taken in the manner provided in the Rules of Civil Procedure. The appeal may be advanced for immediate hearing and submission.

Section 6. Section 122.040 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any party may appeal to the Court of Appeals from a judgment entered under KRS 122.030. The appeal shall be in accordance with the Rules of Civil Procedure, except that the notice of appeal shall be filed and a supersedeas bond executed in the circuit court, and the record shall be filed in the Court of Appeals, within ten days after the entry of the judgment. The entire original record shall be filed and no designation of record shall be required.

(2) Upon the filing of the record, the Clerk of the Court of Appeals shall immediately deliver it to the Chief Justice, and the contest shall have precedence over all other business and causes then pending in the Court of Appeals and shall be heard and disposed of as speedily as the exigencies of the case will permit. If the Court of Appeals is in vacation at the time the record is filed, the Chief Justice shall call together the judges or a majority thereof, who shall hear and determine the appeal in the same manner and with the same effect as if heard and tried by the court in regular session.

(3) The Court of Appeals in its discretion may issue its mandate forthwith after rendering its decision, but it shall be without prejudice to the right of the losing party to file a petition for rehearing or the power of the court to recall the mandate should the petition be sustained.

(4) If the judgment is reversed and the case remanded for trial or further action, the proceedings shall continue in the circuit court in like manner as when originally filed, beginning ten days after the filing of the mandate with notice to the adverse party.

Section 7. Subsection (2) of Section 122.060 of the Kentucky Revised Statutes is amended to read as follows:

(2) Any party may appeal from the judgment to the Court of Appeals, in the same manner as provided in KRS 122.040, all of the provisions of which statute shall be applicable.

Section 8. Section 122.090 of the Kentucky Revised Statutes is amended to read as follows:

Any party may appeal to the Court of Appeals from a judgment entered under KRS 122.070, in the same manner as provided in KRS 122.040, all of the provisions of which statute shall be applicable.

Section 9. Subsection (2) of Section 122.100 of the Kentucky Revised Statutes is amended to read as follows:

(2) Any party may appeal from the judgment to the Court of Appeals, in the same manner as provided in KRS 122.040, all of the provisions of which statute shall be applicable.

Section 10. Subsection (3) of Section 133.170 of the Kentucky Revised Statutes is amended to read as follows:

(3) If either party is dissatisfied with the judgment he may appeal to the Court of Appeals. The appeal shall be in accordance with

the Rules of Civil Procedure, except that the notice of appeal shall be filed in the circuit court, and the record shall be filed in the Court of Appeals, within ten days after the entry of the judgment. The entire original record shall be filed and no designation of record shall be required. The appeal shall immediately be placed upon the docket of the court of appeals and shall take precedence over other cases.

Section 11. Section 177.200 of the Kentucky Revised Statutes is amended to read as follows:

Either the department or the railroad company affected by the final judgment of the circuit court may appeal to the Court of Appeals in accordance with the Rules of Civil Procedure. The case shall be advanced.

Section 12. Subsection (2) of Section 178.115 of the Kentucky Revised Statutes is amended to read as follows:

(2) In all cases where such public roads or structures have been established, any person or persons aggrieved thereby may prosecute an appeal from such order or resolution of the fiscal court by filing a petition in equity in the circuit court of the county setting forth his grievance, to which petition shall be attached an attested or certified copy of such order or resolution. Such petition shall be filed within thirty-five days from the date such order or resolution was entered. Such appeal shall be heard and decided by the court without the intervention of a jury. Any party so appealing shall execute and file a bond for costs at the time such appeal is taken. An appeal to the Court of Appeals may be taken in accordance with the Rules of Civil Procedure.

Section 13. Section 178.380 of the Kentucky Revised Statutes is amended to read as follows:

Either the county or the railroad company dissatisfied with the final judgment of the circuit court may appeal to the Court of Appeals in accordance with the Rules of Civil Procedure. The case shall be advanced.

Section 14. Section 184.050 of the Kentucky Revised Statutes is amended to read as follows:

(1) If no objections are filed on the day set for the initial hearing, the county court shall enter its order approving the petition.

(2) Any owner of land abutting upon the road proposed to be improved who has failed or refused to sign the petition seeking the formation of the road district may, on the day fixed for the hearing, file in the county court his answer to the petition setting forth his objections to the creation of the district, and the county judge shall thereupon fix a day when both the sponsors and the objectors may introduce testimony, and shall at that time hear the case on its merits. The burden of proof shall be upon the objectors to show cause why the road district should not be created, and the case shall be tried as a suit in

equity. The order of the county court shall be subject to appeal to the circuit court and thence to the Court of Appeals in accordance with the Rules of Civil Procedure.

Section 15. Section 243.590 of the Kentucky Revised Statutes is amended to read as follows:

Any party aggrieved by a judgment of the Franklin Circuit Court may appeal to the Court of Appeals in accordance with the Rules of Civil Procedure. The appeal may be advanced for immediate hearing.

Section 16. Subsection (2) of Section 267.070 of the Kentucky Revised Statutes is amended to read as follows:

(2) An appeal may be taken to the Court of Appeals from the judgment of the circuit court in accordance with the Rules of Civil Procedure.

Section 17. Section 268.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any county or circuit court may establish, organize, and provide for the operation and maintenance of drainings, levee and reclamation districts. The original jurisdiction conferred upon the county court for this purpose shall be concurrent with that conferred upon the circuit court for the same purpose. The circuit court shall also have appellate jurisdiction with reference to any matter in this chapter from any final order or judgment of the county court. In matters relating to procedure this chapter is intended to be exclusive of all other remedies. Any judgment from which no appeal is prosecuted shall be executed by the court in which it is rendered. Proceedings under this chapter shall have precedence on the docket of county and circuit courts over all other civil cases except election cases and proceedings which have been given precedence previously by other laws.

(2) Appeals to the circuit court shall be taken in accordance with the Rules of Civil Procedure. Trials in the circuit court shall be de novo, but no issue which was not raised by pleadings or exceptions in the county court shall be considered on the trial in the circuit court. All orders made in the county court may be read in evidence in the circuit court without being copied.

(3) An appeal may be taken to the Court of Appeals from any final order or judgment of any circuit court concerning any matter in this chapter, in accordance with the Rules of Civil Procedure.

Section 18. Section 278.450 of the Kentucky Revised Statutes is amended to read as follows:

Upon final submission of any action brought under KRS 278.410, the circuit court shall enter a judgment either sustaining the order of the commission or setting it aside or vacating it in whole or in part, or modifying it, or remanding it to the commission with instructions. Any final order of the commission, on remand of the proceedings, shall be subject to court review in the same manner as any other final order of the commission. Either party to the action may appeal from the judgment of the circuit court to the Court of Appeals in accordance with the Rules of Civil Procedure, and the appeal shall be advanced in the same manner as Commonwealth cases.

Sec. 19. Subsection (4) of Section 281.785 of the Kentucky Revised Statutes is amended to read as follows:

(4) Any party may appeal from the circuit court to the Court of Appeals in accordance with the Rules of Civil Procedure, and such appeal shall have precedence of other cases pending in the Court of Appeals.

Sec. 20. Subsection (5) of Section 292.230 of the Kentucky Revised Statutes is amended to read as follows:

(5) Each final ruling of the director in the granting or refusing to grant a license or permit to transact business in this state, or the suspension or revocation of any such license or permit theretofore granted or issued, or the refusal of the director to make investigation as to revocation of any such license or permit on complaint, shall be subject to review in a proper proceeding in the Franklin circuit court by any person, firm or corporation feeling aggrieved, and an appeal may be taken from the circuit court to the Court of Appeals in accordance with the rules of Civil Procedure.

Sec. 21. Section 393.160 of the Kentucky Revised Statutes is amended to read as follows:

Any person dissatisfied with the decision of the commissioner may, within sixty days, appeal from it to the Franklin circuit court or file an action in that court to vacate the decision. In either event the proceedings shall be de novo, and no transcript of the record before the commissioner shall be required to be kept unless requested by the claimant. In such proceeding the commissioner shall be made a party defendant, and all other persons required by law to made parties in actions in rem or quasi in rem shall be made parties. Any party adversely affected by the decision of the Franklin circuit court may appeal to the Court of Appeals in accordance with the Rules of Civil Procedure. Upon an appeal the state shall not be required to make a supersedeas bond. The provisions of this section relating to the decision of the commissioner and appeals therefrom shall also apply to a decision of the commissioner rendered under authority of KRS 393.110.

Sec. 22. Section 394.290 of the Kentucky Revised Statutes is repealed.

Sec. 23. Section 416.200 of the Kentucky Revised Statutes is amended to read as follows:

Either party may appeal to the circuit court from the judgment of the county court in proceedings under KRS 416.150 to 416.190, and from the circuit court to the Court of Appeals, in accordance with the Rules of Civil Procedure. An appeal by the defendant shall not operate as a supersedeas if the telephone company enters into bond, with sureties to be approved by the county court, in double the amount of the award made in the judgment, to secure the defendant in case the judgment is reversed, and upon the execution of such bond the company may construct its telephone line upon the right of way as prayed for in its petition.

SB 250, AN ACT to define, license, and regulate the business of making loans or advances in the amount or of the value of Eight Hundred Dollars ($800) or less, secured or unsecured, at a greater rate of interest, consideration or charges than six per centum (6%) per annum, prescribing the rates of interest and charges therefor and penalties for the violation thereof, regulating the assignment of wages or salaries, earned or to be earned, when given as security for any such loan or as consideration for the payment of Eight Hundred Dollars ($800) or less, providing for insurance and limitations thereon, providing for the administration of this Act, authorizing the making of examinations and investigations and the publication of reports thereof, providing for a review of decisions and findings of the Commissioner of Banking and repealing Chapter 288 of the Kentucky Revised Statutes, as amended, and all Acts and parts of Acts, whether general, special or local, which relate to the same subject matter as this Act.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. *Construction of Act.* (1) As used in this Act, unless the context requires otherwise;

(a) "Director" means the Commissioner of Banking; and

(b) "Licensee" means a person licensed under this Act; and

(c) "Person" means an individual, partnership, association, trust, corporation and any other legal entity.

(2) This Act shall not apply to any person doing business under and as permitted by any law of this state or of the United States relating to banks, savings banks, trust companies, trust, banking and title insurance companies, building and loan associations, cooperative marketing associations, credit unions, loan and investment companies, or licensed pawnbrokers. This Act does not apply to the purchase or acquisition, directly or indirectly, of notes, chattel mortgages, installment or conditional sales contracts, embodying liens or evidencing title retention arising from the bona fide sale of goods or services by a seller of such goods or services.

Section 2. *License required for consumer loan companies.* No person shall, without first obtaining a license from the director, engage in the business of making loans in the amount or of the value of eight hundred dollars or less at a greater rate of interest, or consideration therefor than six per cent per annum.

Section 3. *Form of application; Contents.* (1) Each application for a license under this Act shall be made in writing, under oath or affirmation, in such form as the director prescribes.

(2) The application shall contain:

(a) In the case of an individual, his name and the address of his residence and place of business;

(b) In the case of a partnership or association, the name and address of every member thereof and the address of the place where the business is to be conducted;

(c) In the case of a corporation, the names and addresses of the officers and directors thereof and the address of the place where the business is to be conducted; and

(d) Such additional information as the director prescribes.

Section 4. *Fees.* Each applicant at the time of making application shall pay fifty dollars to the director as a fee for investigating the application and the additional sum of two hundred and fifty dollars as an annual license fee for the period terminating on the last day of the current calendar year. If the application is filed after June 30 in any year, the payment shall be one hundred and twenty-five dollars as a license fee in addition to the fee for investigation. In addition to the annual license fee every licensee hereunder shall pay the same fees for each examination as are allowed by statute for the examination of banks.

Section 5. *Approval or rejection of application; Time limit.* (1) The director shall, after investigation, issue to the applicant a license to make loans in accordance with this Act, if the director:

(a) Approves the form of the application;

(b) Finds that the financial responsibility, experience, character, and general fitness of the applicant, and of the members thereof if the applicant is a partnership or association, and of the officers and directors thereof if the applicant is a corporation, are such as to command the confidence of the community and to warrant the belief that the business of the applicant will be operated honestly, fairly, and efficiently in accordance with the purposes of this Act;

(c) Finds that permitting such applicant to engage in such business will promote the convenience and advantage of the community; and

(d) Finds that the applicant has complied with Section 4 hereof.

(2) If the director does not so find, he shall not issue a license and shall notify the applicant of the denial and return the sum paid by the applicant as a license fee, retaining the fifty dollars investigation fee to cover the cost of investigating the application.

(3) The director shall approve or deny every such application for license within sixty days from the filing thereof with the fees unless the time is extended by a written agreement between the applicant and the director.

(4) All findings of the director, together wtih a summary of the evidence supporting them, shall be filed in the office of the director as public records, open to public inspection.

Section 6. *License; Contents; To be displayed; Change in place of business.*

(1) Every license shall state the address of the office at which the business is to be conducted, the name of the licensee, and if the licensee is a partnership or association, the names of the members thereof, and if a corporation, the date and place of its incorporation.

(2) The license shall be kept displayed in the office of the licensee and shall not be transferable or assignable. Not more than one place of business shall be maintained under the same license but the director may issue more than one license to the same licensee upon compliance with all the provisions of this Act for each license; provided, however, nothing herein shall be deemed to require a license for any place of business devoted to accounting, record-keeping or administrative purposes.

(3) Whenever a licensee desires to change his place of business to another location within the same county such licensee shall give written notice to the director, who, unless he finds within thirty days from the receipt of such written notice, that the interests of the community will not be served thereby, shall endorse on the license a transfer to the new place of business, with the date of transfer, which endorsement shall be authority for the operation of such business at the new location. No change in the place of business of a licensee to a location outside of the original county shall be permitted under the same license.

Section 7. *Regulations as to place of business.* (1) No licensee shall conduct the business authorized by this Act in any office, room, or place of business in which any other business is solicited or engaged in, or in association or conjunction therewith, except upon a written authorization from the director. Such authorization shall be granted unless the director finds that such operation will facilitate evasions of this Act. No licensee shall make any loan under this Act under any other name or at any other place of business than that stated in the license.

(2) Nothing in this Act shall be construed to limit the loans of any licensee to residents of the community in which the licensed place of business is situated, nor to prohibit the making and collecting of loans by mail.

Section 8. *Duration of license; Payment of annual fee.* Each license shall remain in full force and effect until it is surrendered by the licensee or suspended or revoked as provided in this Act. Each licensee shall, on or before each December 20, pay to the director the annual license fee for the next succeeding calendar year.

Section 9. *Revocation, Suspension, Surrender and reinstatement of licenses.* (1) The director may revoke any license issued under this Act if he finds:

(a) That the licensee has failed to pay his annual license fee; or

(b) That the licensee has violated any provision of this Act or has failed to comply with any rule or regulation lawfully made pursuant thereto; or

(c) That any fact or condition then exists which clearly would have warranted the director in refusing to issue a license on an original application; or

(d) That the licensee has failed to open an office for business within one hundred twenty days from the date the license is granted, or has failed to remain open for business for a period of one hundred twenty days, unless in each such case good cause be shown.

(2) The director may suspend any license for a period not exceeding thirty days, pending investigation of possible grounds for revocation under sub-paragraphs (b) or (c) of subsection (1) of this section.

(3) Before the revocation of a license under subsection (1), or suspension under subsection (2), the licensee shall be given ten days' written notice of the contemplated revocation or suspension of his license, the grounds therefor stated specifically, and a reasonable opportunity to be heard.

(4) The director may reinstate suspended licenses or issue new licenses to a licensee whose license has been revoked if no fact or condition then exists which clearly would have warranted him in refusing originally to issue such license under this Act.

(5) Any licensee may surrender any license by delivering it to the director together with written notice that he thereby surrenders such license.

Section 10. *Written order of denial or revocation; Right of appeal.* Whenever the director denies any application for a license under the provisions of this Act or revokes any license issued pursuant to this Act, he shall forthwith file in his office a written order to that effect, stating his findings with respect thereto and the reasons for his action. The director shall also forthwith serve upon the applicant for license or licensee a copy of the order, and the applicant or licensee may appeal to the circuit court of Franklin County, within thirty days after the service of a copy of the order.

Section 11. *Financial condition of licensee.* Each licensee shall have at all times a net worth of at least twenty thousand dollars and shall maintain at all times assets of at least twenty thousand dollars either in liquid form available for or actually used in the making of loans under this Act at the location specified in the license.

Section 12. *Prohibited advertisements and statements.* No licensee shall advertise, print, display, publish, distribute, broadcast or televise, or permit to be advertised, printed, displayed, published, distributed, broadcast or televised, any statement or representation with regard to the rates, terms, or conditions for making loans in the sum of eight hundred dollars or less, which is false, misleading, or deceptive.

Section 13. *Interest rate; Maximum charges allowed licensee; Loans not to be divided.* (1) Every licensee may lend any sum of money not exceeding eight hundred dollars, excluding charges, and may charge, contract for and receive thereon charges not in excess of twenty dollars per one hundred dollars on that part of the cash advance (the cash or its equivalent received by the borrower or paid out on his behalf or at his direction or request) not exceeding one hundred fifty dollars and fifteen dollars per one hundred dollars on that part of the cash advance exceeding one hundred fifty dollars but not exceeding six hundred dollars and eleven dollars per one hundred dollars on that part of the cash advance exceeding six hundred dollars but not exceeding eight hundred dollars, when the loan is made payable over a period of one year, and, proportionately at those rates for a greater or a lesser amount, within said limits, or over a longer or shorter term of loan, and such rates shall be computed on the full amount of the cash advance for the full term of the loan contract, notwithstanding any agreement to repay the loan in installments. Such charges shall be added to the cash advance and the resulting sum shall become the face amount of the note.

(2) For the purposes of computation, whether at the maximum rate or less, a month shall be that period of time from any date in a month to the corresponding date in the next month and if there is no such corresponding date then to the last day of such month, and a day shall be considered one-thirtieth of a month when such computation is made for a fraction of a month. The portion of the charges applicable to any particular monthly installment period, as originally scheduled or following a deferment, shall bear the same ratio to the total charges, excluding any adjustment made pursuant to subsection (3) hereof, as the balance scheduled to be outstanding during that monthly period bears to the sum of all monthly balances scheduled orignally by the contract of loan.

(3) A licensee and borrower may agree that the first installment date may be not more than fifteen days more than one month and the amount of such installment may be increased by one-thirtieth of the portion of the charges applicable to a first installment period of one month for each extra day.

(4) If one-half or more of any installment remains unpaid more than seven days after it is due, the licensee may charge and collect a default charge not exceeding two cents for each one dollar of the scheduled installment, and such charge may be collected for each full month thereafter the installment remains unpaid.

(5) If the payment of all wholly unpaid installments on which no default charge has been collected is deferred one or more full months, the licensee may charge and collect a deferment charge not exceeding two cents for each one dollar of the sum of the installments so deferred, multiplied by the number of months the maturity of the contract is extended; provided, however, that such number of months shall not exceed the number of installments which are due and wholly unpaid or due within fifteen days from the date of deferment. The deferment charge may be collected at the time of deferment or at any time thereafter. Any payment received at the time of deferment may be applied first to the deferment charge and the remainder, if any, applied to the unpaid balance of the contract, provided, however, that if such payment is sufficient to pay, in addition to the appropriate deferment charge, any installment which is in default and the applicable default charge, it shall be first so applied and any such installment shall not be deferred or subject to the deferment charge. At the time a deferment is made the borrower shall be given a statement or receipt showing the amount of the deferment charge, the date and amount of the next scheduled payment and the number of remaining scheduled payments.

(6) If the contract of loan is prepaid in full by cash, a new loan or otherwise before the final installment date, the portion of the charges applicable to the full installment periods following the installment date nearest the date of prepayment shall be refunded. Any default or deferment charges which are due and unpaid may be deducted from such refund. The tender by the borrower or at his request of an amount equal to the unpaid balance less the required refund must be accepted by the licensee in full payment of the contract. If judgment is obtained before the final installment date the contract balance shall be reduced by the refund which would be required for prepayment in full as of the date judgment is obtained. No refund of less than one dollar need be made; no refund for partial prepayments need be made.

(7) If two or more full installments are in default for one full month or more at any installment date and if the contract so provides, the licensee may reduce the contract balance by the refund or credit which would be required for prepayment in full on such installment date. Thereafter, in lieu of charging, collecting or receiving charges as provided in subsections (1) to (6) inclusive, charges may be charged, collected and received as provided by subsection (8) hereof until the contract is fully paid.

(8) In lieu of computing and collecting charges as provided in subsections (1) to (6) inclusive of this section a licensee may contract for, collect and receive on loans of eight hundred dollars or less charges not exceeding three per cent per month on that part of the unpaid principal balance of the loan not in excess of one hundred fifty dollars and two per cent per month on that part of the unpaid principal balance exceeding one hundred fifty dollars but not exceeding six hundred dollars and one per cent per month on that part of the unpaid principal balance exceeding six hundred dollars but not exceeding eight hundred dollars. Such charges shall not be paid, deducted, received in advance or compounded but shall be computed, collected and received only on unpaid principal balances for the time actually outstanding. The definition of a month and of a day in subsection (2) hereof shall apply for the purposes of such computations.

(9) If part or all of the consideration for a contract of loan is the unpaid principal balance of a prior loan with the same licensee then the principal amount payable under such contract of loan shall not include any unpaid charges on the prior loan except such charges which have accrued within sixty days before the making of such new contract of loan and may include the balance remaining after giving the refund required by subsection (6) hereof.

(10) In addition to the charges provided for in this Act no further charge or amount whatsoever for any examination, service, brokerage, commission, expense, fee, or bonus or other thing shall be directly or indirectly charged, contracted for, or received, except the lawful fees actually and necessarily paid out by the licensee to any public official for filing, recording or releasing in any public office any instrument securing the loan; the identifiable charge or premium for insurance provided for in Section 16 hereof; or fees for noting or releasing a lien on or transferring a certificate of title to any motor vehicle offered as security for a loan made under this Act. If any amount in excess of the amounts authorized by this Act is charged, contracted for or received, except as the result of an accidental or bona fide error, the contract of loan shall be void and the lender shall have no right to collect or receive any principal, charges or recompense whatsoever.

(11) No licensee shall induce or permit any borrower to split up or divide any loan nor permit any one borrower or any husband or wife individually or together to become indebted to him under more than one contract of loan at the same time if the actual amount of the indetbedness on any one of such contracts is in the amount or of the value of eight hundred dollars or less and there is charged, contracted for, or received thereon, directly or indirectly, by any device, sugterfuge, or pretense whatsoever, any interest, or consideration therefor greater than would otherwise be permitted by this Act.

(12) No licensee shall directly or indirectly charge, contract for or receive any interest or consideration greater than the lender would

be permitted by law to charge if he were not a licensee hereunder upon any loan in the amount or of the value of more than eight hundred dollars, excluding charges, or in any case in which the licensee permits any individual as borrower, endorser, guarantor, or surety for any borrower, or otherwise, to owe on any loan or loans directly or contingently, or both, to the licensee at any time the sum of more than eight hundred dollars for principal, excluding charges.

Section 14. *Duties of licensee.* Every licensee shall:

(1) Deliver to the borrower at the time of making a loan, or to one of them if there are two or more obligors on the loan, a statement showing in clear and distinct terms the amount and date of the loan and the date of its maturity, the nature of the security for the loan, the name and address of the borrower and of the licensee, the schedule of payments or a description thereof, and the agreed charges or rate of charge on such loan provided, that when charges are contracted for under Section 13 (1), the statement shall show the cash advance and the amount of the note including charges, the additional charges contracted for in case of default or deferment and that a refund is required for prepayment in full.

(2) Furnish to the borrower a receipt for each cash payment made on account of any such loan at the time each payment is made but no receipt need be given where payment is made by check or money order; and the use of a coupon book system shall be deemed compliance with this section;

(3) Upon the repayment of the loan in full, mark indelibly with the word "Paid" or "Canceled" every obligation signed by the borrower and release or provide the borrower with evidence to release any mortgage which no longer secures an obligation, restore any pledge, and cancel and return every note and assignment given to the licensee by the borrower.

Section 15. *Payment of loan.* The borrower may pay all, or any part of any loan equal to one or more full installments, at any time during the regular business hours of the licensee, but the licensee may apply any such payment first to all accrued charges in full up to the date of such payment.

Section 16. *Insurance.* Notwithstanding the provisions of this or any other law:

(1) A licensee may request a borrower to insure tangible personal property, except household goods, offered as security for a loan exceeding three hundred dollars under this Act against any substantial risk of loss, damage or destruction for an amount not to exceed the actual value of such property or the approximate amount of the loan, whichever is greater, and for a term and upon conditions which are reasonable and appropriate considering the nature of the property and the maturity and other circumstances of the loan; provided such insurance is sold by a licensed agent, broker or solicitor.

(2) A licensee may also request as security for any loan obligation insurance on the life of the borrower, or one of them if there are two or more, which shall be in the approximate amount of the indebtedness scheduled to be due the licensee under the loan contract. Not more than one policy of life insurance may be written in connection with any loan transaction under this Act. The premium rate for life insurance provided under this section shall be reasonable in relation to the death benefit required hereunder and shall be filed with the Commissioner of Insurance. The Commissioner of Insurance shall, within 30 days after the filing of any premium rate, disapprove such premium rate if it is excessive in relation to the benefits. In determining whether to disapprove any premium rate, the Commissioner of Insurance shall give due consideration to the mortality cost with respect to life insurance on borrowers under this Act or similar Acts in other states, a reasonable margin for underwriting expense and profit and contingencies to the insurer, and cost and compensation to the licensees for providing and servicing such insurance, plus the premium taxes payable on such life insurance.

(3) In accepting any insurance provided for by this section as security for a loan the licensee, its officers, agents or employees may deduct the premiums or identifiable charge therefor from the proceeds of the loan, which premium or identifiable charge shall not exceed the rate filed with the Commissioner of Insurance and not disapproved and remit such premiums to the insurance company writing such insurance and any gain or advantage to the licensee or any employee, officer, director, agent, affiliate or associate from such insurance or its sale shall not be considered as additional or further charge in connection with any loan made under this Act. The arranging for and collecting of an identifiable charge shall not be deemed the sale of insurance.

(4) Every insurance policy or certificate written in connection with a loan transaction pursuant to subsection (2) hereof shall provide for cancellation of coverage and a refund of the premium or identifiable charge unearned upon the discharge of the loan obligation for which such insurance is security without prejudice to any claim. Such refund shall be under a formula filed by the insurer with the Commissioner of Insurance.

(5) Whenever insurance is written in connection with loan transaction pursuant to this section the licensee shall deliver or cause to be delivered to the borrower a policy, certificate or other memorandum which shall show the coverages and the cost thereof, if any, to the borrower within thirty days from the date of the loan.

(6) All such insurance shall be written by a company authorized to conduct such business in this state and the licensee shall not require the purchase of such insurance from any agent or broker designated by the licensee nor shall the licensee decline existing coverages which equal or exceed the standards of this section.

Section 17. *Wage purchases; Assignment of compensation.* (1) The payment of eight hundred dollars or less in money, credit, goods, or things in action, as consideration for any sale, assignment, or order for the payment of wages, salary, commissions, or other compensation for services, whether earned or to be earned, shall be deemed for the purposes of regulation under this Act, a loan secured by such assignment, and the amount by which such assigned compensation exceeds the amount of such consideration actually paid shall be deemed for the purposes of regulation under this Act interest or charges upon such loans from the date of payment to the date such compensation is payable. Such transaction shall be governed by and subject to the provisions of this Act.

(2) No assignment of or order for payment of any salary, wages, commissions, or other compensation for services, earned or to be earned, when taken as security for any loan made under this Act, shall be valid unless the amount of the loan is paid to the borrower simultaneously with its execution. Under any assignment of or order for the payment of future salary, wages, commissions, or other compensation for services given as security for a loan made under this Act, there shall not at any time be collectible from the employer of the borrower more than ten per cent of the amount then owing the borrower for any such salary, wages, commissions or other compensation for services.

Section 18. *Prohibited conduct.* (1) No licensee shall take any confession of judgment or any power of attorney running to himself or to any third person to confess judgment or to appear for the borrower in a judicial proceeding; nor take any note or promise to pay that does not disclose the date and amount of the loan obligation, a schedule or description of the payments to be made thereon, and the rate or aggregate amount of the agreed charges; nor take any instrument in which blanks are left to be filled in after the loan is made.

(2) No licensee shall enter into any contract of loan under this Act under which the borrower agrees to make any schedule repayment of principal more than twenty-five months from the date of making such contract and every such contract shall provide for repayment of the amount lent in substantially equal installments at approximately equal periodic intervals of time; provided, however, that when appropriate for the purpose of facilitating payment in accordance with the seasonable nature of obligor's main source of income, payments may be deferred or omitted, if all the other payments are increased in such manner that such other payments are substantially equal in amount and sufficient in the aggregate to retire the loan in the period of months as hereinabove provided.

(3) Lien upon real estate as security prohibited. No licensee shall take any lien upon real estate as security for any loan under this Act, except such lien as is created by virtue of a judgment or decree.

Section 19. *Licensee to make annual report.* Each licensee shall annually on or before April 15, file with the director a report for the preceding calendar year. Such report shall give information with respect to the financial condition of such licensee and shall include; the name and address of the licensee; balance sheets at the beginning and end of the accounting period; a statement of income and expenses for said period; a reconciliation of surplus or net earnings with the balance sheets; a schedule of assets used and useful in the consumer loan business; an analysis of charges, and types of security on loans of eight hundred dollars or less; an analysis of delinquent accounts; analysis of suits, repossessions and sales of chattels and such other relevant information as the director may reasonably require concerning the business and operations during the preceding calendar year of each licensed place of business conducted in the state. In the event any person or affiliated group of corporations hold more than one license in the state, he or they may file a composite annual report in lieu of separate reports for each licensed office. Such report shall be made under oath and in the form prescribed by the director, who shall make and publish annually an analysis and recapitulation of such reports.

Section 20. *Records, extent and preservation of.* Each licensee shall keep and use in his business and shall preserve for at least two years after making the final entry therein, such books, accounts, records, or card systems in accordance with sound accounting principles and practices to enable the director to determine whether the licensee is complying with the provisions of this Act, and with the regulations made pursuant thereto.

Section 21. *Director to make regulations; Examination of licensees.* (1) The provisions of this Act shall be enforced by the director, who may, after notice to licensees and a hearing, promulgate regulations, referenced to the section or sections which set forth the legislative standards they interpret or apply, for the proper conduct of the business licensed under this Act. All regulations of general application shall state the date of promulgation and the effective date. A copy of every such regulation shall be sent to all licensees before the effective date thereof and a copy shall be kept in an indexed permanent book in the office of the director as a public record.

(2) The director shall make an annual examination of the affairs, business, office, and records of every licensee, and such further examinations or investigations as he deems necessary for the purpose of discovering violations of this Act or of securing information necessary for its proper enforcement.

(3) For the purpose of making such examinations or investigations the director and his representatives may require the attendance of and examine under oath all persons whose testimony he may require, relative to the loans or business of any such licensee, and shall

have free access to the accounts, papers, records, files, safes, vaults, offices, and places of business used in connection with any business conducted under any license issued in accordance with this Act.

Section 22. *Public policy.* (1) No person, except as authorized by statute, shall directly or indirectly by any device, subterfuge or pretense whatsoever, charge, contract for or receive or participate as agent, broker or in any other capacity in charging, contracting for or receiving any interest, discount or consideration greater than six per cent per annum upon any loan in the amount of or the value of eight hundred dollars or less.

(2) Any loan in the amount of eight hundred dollars or less for which there has been charged, contracted for or received a greater rate of interest, discount or consideration, except as provided for by statute, is against the public policy of this state.

(3) No such loan made outside this state shall be enforced in this state and every person participating therein in this state shall be subject to the provisions of this Act, but this section does not apply to loans legally made in any state, country, commonwealth, territory or district.

Section 23. *Review.* In addition to any other available remedy, any person considering himself aggrieved by any act or omission of the director may, within thirty days from the date of such act or failure to act, bring an action in the circuit court in and for Franklin County to review such act or omission. The hearing before the court shall be based on the record before the director and his findings, if any, and on such new evidence as may be introduced.

Section 24. *Impairment of Contracts.* This Act or any part thereof may be modified, amended or repealed so as to effect the cancellation or authorization of any license or right of a licensee hereunder, provided that such modification, amendment or repeal shall not impair or affect the obligation of any pre-existing lawful contract between any licensee and any borrower.

Section 25. *Pre-Existing Licensees.* Any person having a license under Chapter 288, KRS in force when this Act becomes effective shall be deemed to have a license under this Act. The director shall, within a reasonable time after the effective date of this Act, issue new licenses to such persons.

Section 26. *Penalties.* (1) Any person who shall engage in the business regulated by this Act without first securing a license therefor shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than five hundred dollars nor more than one thousand dollars. Any such loan contract made in violation of this Act shall be void and the lender shall have no right to collect any principal, charges or recompense whatsoever.

(2) Any licensee who, after a cease and desist order shall have been issued by the director, shall violate any provision of this Act shall, upon conviction thereof, be punished by a fine of not less than one hundred dollars nor more than five hundred dollars, in addition to the penalty prescribed in Section 13 hereof, if applicable, provided, however, this section shall not be deemed to limit the power of the director to revoke any license as provided in Section 9 hereof.

Section 27. *Repeal.* (1) Chapter 28, KRS is hereby repealed.

(2) Nothing in this Act shall be construed so as to impair or affect the obligation of any contract of loan between any licensee under Chapter 288, KRS and any obligor, which was lawfully entered into prior to the effective date of this Act.

Section 28. *Separability.* If any one or more of the clauses, sentences, phrases, words, sections, provisions or parts of this Act be adjudged to be unconstitutional or invalid for any reason by a court of competent jurisdiction, such shall not impair, affect or invalidate the remainder of this Act, which shall remain in force and effect.

HB 531, AN ACT relating to fees of jailers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 64.150 of the Kentucky Revised Statutes is amended to read as follows:

(1) Jailers shall be paid out of the county treasury, except as provided in subsection (2) of this section, the following fees for the following services:

Attending county and quarterly court per day not exceeding	$6.00
Furnishing fuel and lights to county and quarterly court, except as provided in KRS 67.150, a reasonable compensation, not exceeding, per day	2.00
Putting a prisoner in irons, for an offense other than a felony or contempt besides the cost of irons	.50
Keeping and dieting prisoners in jail, in counties not containing a first-class city, when confined for an offense other than a felony or contempt of court, per day	1.75
Keeping and dieting prisoners in jail, when confined for an offense other than a felony or contempt of court, a fee equal to the reasonable cost of providing such services, not exceeding, per day	1.75
Imprisoning and releasing a prisoner charged with a misdemeanor	$ .75

(2) Where the prisoner is confined for a breach of the bylaws or ordinances of a city, or for a violation of a statute where the city

gets the benefit of the fine, the fees for keeping and dieting the prisoner and for imprisoning and releasing him shall be paid by such city.

(3) Jailers shall be paid out of the State Treasury the following fees for the following services:

Imprisoning and releasing a prisoner charged with a felony or contempt	.75
Keeping and dieting a prisoner charged with a felony or contempt, per day	1.75
Keeping and dieting a prisoner held on a fugitive warrant, when extradition is not granted, per day, but not exceeding 90 days	1.75
Putting a prisoner charged with a felony or contempt in irons, to secure his safekeeping in the jail, besides the cost of the irons	.50
Each day's attendance upon the circuit court	6.00
Furnishing fuel, light and water to the circuit court, not exceeding, per day	2.00

(4) For all other services performed by the jailer, he shall receive the same fees paid to sheriffs for like services.

Section 2. The Department of Finance is authorized to issue warrants for claims arising for keeping and dieting a prisoner held on a fugitive warrant, but who is not extradited, in the fiscal year 1958-1959 and thereafter.

SB 251, AN ACT relating to issuance of general obligation bonds of the Commonwealth for state parks and for highways, bridges and tunnels.

WHEREAS, by Chapter 3, Acts of the Second Extraordinary Session of 1956, the General Assembly authorized issuance by the Commonwealth of its general bonds in the principal amount of one hundred million dollars to match federal funds for construction of highways, bridges and tunnels; and according to Section 50 of the Constitution of the Commonwealth, provided for submission of said Act to the voters at the general election on November 6, 1956; and

WHEREAS, said Act was duly approved and issuance of said bonds authorized by an overwhelming majority at said election, and subsequently seventy million dollars of said bonds have been issued; but in said Act it was and is provided that the bonds be sold for not less than their par or face amount, and that none of such bonds bear interest at a rate exceeding three per cent per annum, payable semi-annually; and by reason of unfavorable changes in financial conditions, which were not foreseen or anticipated, the Commonwealth for a number of months has been unable to sell the authorized and unissued thirty million dollars of said bonds upon permissible terms, despite increasingly urgent and critical need of the proceeds thereof for the proper designated purposes, with the result that the highway construction program of the Commonwealth has virtually been brought to a standstill; and

WHEREAS, the General Assembly recognizes additional needs of the citizens of the Commonwealth for construction of highways, bridges and tunnels, and for the establishment and development of state parks and development and improvement of existing state parks; and

WHEREAS, in the event the said heretofore authorized but presently unissued thirty million dollars of bonds are successfully marketed under the above-stated restrictive conditions, or are made marketable, as herein proposed, by realistic removal by the voters of the three per cent interest rate limitation, it appears said additional foreseeable needs will be sufficiently served if no more than one hundred million dollars of additional bonds are authorized to be issued from the proceeds of which ninety million dollars would be allocated to construction of highways, bridges and tunnels, and ten million dollars to establishment, development, and improvement of state parks; and the General Assembly deems it to be provident, expedient and in the public interest that this Act be duly submitted for approval of the citizens and voters in the manner contemplated by the Constitution of the Commonwealth; now therefore,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. *Efforts to sell authorized and unissued bonds under existing restrictions to be continued; if effort unsuccessful, proposal to remove interest rate limit to be submitted to voters at an election.*

(a) The State Property and Buildings Commission (hereinafter sometimes referred to as the "Commission") is enjoined to continue its best efforts to sell and issue the heretofore unissued thirty million dollars of the Commonwealth's general obligation bonds, as provided in Chapter 3, Acts of the Second Extraordinary Session of 1956, which was approved by the voters at the election held on November 6, 1956 (such bonds, for convenience, being sometimes hereinafter referred to as the "unissued 1956 bonds"; and the aforesaid issue of which the same constitute a part being sometimes hereinafter referred to as the "1956 bonds"). In doing so, the Commission shall in all respects observe the restrictive conditons presently applicable to said unissued 1956 bonds, in that any sale or sales shall be for not less than par or face amount with accrued interest to delivery, and at a rate or rates of interest not exceeding, as to any bond, three per cent per annum, payable semi-annually, and all of such bonds shall be caused to mature as to principal within thirty years from January 1, 1957.

(b) Unless said unissued 1956 bonds are successfully sold by the Commission on or prior to August 31, 1960, a proposal as set forth in this Act shall be submitted to the qualified voters of the Commonwealth at the regular election scheduled by law to be held on November 8, 1960, seeking the voters' authorization and approval of removing, as to said unissued 1956 bonds, the three per cent interest rate limitation presently applicable thereto. Inasmuch as said unissued 1956 bonds have been taken into account in determining the amount of money otherwise necessary to be provided through issuance of additional bonds as hereinafter set forth, such proposal that the voters remove said existing interest rate limitation as to the unissued 1956 bonds shall appear on the ballots at the election to be held on November 8, 1960, as a part of the ballot question submitting for authorization and approval this Act as a whole and the proposed issuance of an additional one hundred million dollars of general obligation bonds of the Commonwealth for state parks, and for highways, bridges and tunnels, as hereinafter provided. In such event the form of the question which shall be caused to appear upon the ballots at the election on November 8, 1960, shall be as set forth in Section 6 of this Act.

(c) In the event the said unissued 1956 bonds are successfully sold by the Commission on or prior to August 31, 1960, according to the presently existing interest rate limitation, the Commission shall, not later than September 1, 1960, so notify the Secretary of State of the Commonwealth; and inasmuch as there will then no longer be any occasion to seek authorization of the voters for removal of said interest rate limitation, the question to appear upon the ballots submitting this Act for authorization and approval of the voters at the election on November 8, 1960, shall be as provided in Section 7 of this Act.

(d) Based upon representations made by the Commission as set forth in this Section 2, the Secretary of State shall, after September 1, 1960, determine whether the form of question to be used in submitting this Act to the voters for authorization and approval at the election on November 8, 1960, shall be as set forth in Section 6 hereof, or as set forth in Section 7 hereof, and shall certify the applicable form of ballot question to the respective County Court Clerks at the same time that candidates for public office are provided to be certified pursuant to KRS 119.140; and when each County Court Clerk causes the ballots to be printed according to KRS 118.190 the form of question so certified by the Secretary of State shall be caused to appear thereon with appropriate spaces for the voters to designate "Yes" or "No" as provided in KRS 118.170 (3).

Section 3. *Commonwealth to contract additional indebtedness not to exceed one hundred million dollars for parks, and for highways, bridges and tunnels; submission to voters at an election on November* 8, 1960, *according to Section* 50 *of the Constitution.* Subject to the provisions of Section 50 of the Constitution of the Commonwealth, as hereinafter provided, a direct indebtedness of the Commonwealth in the principal amount of one hundred million dollars in addition to the 1956 bonds, and in addition to any and all other bonds and indebtedness of the Commonwealth, shall be incurred by the Commonwealth through issuance of its general obligation bonds, for the prompt payment of which when due, both principal and interest, the full faith, credit, resources and unlimited taxing power of the Commonwealth shall irrevocably be pledged; and from the proceeds thereof not to exceed ten million dollars shall be and are hereby appropriated and shall be used for establishment, development, and improvement of state parks and for development and improvement of existing state parks; and not to exceed ninety million dollars shall be and are hereby appropriated and shall be used for construction of highways, bridges, and tunnels, wherein there is to be federal cost participation (all of said bonds, for convenience, being sometimes hereinafter referred to as the "1960 bonds"). As provided in Section 50 of the Constitution of the Commonwealth, no part of said indebtedness shall be incurred unless authorized and approved by a majority vote upon submission to the voters at an election as hereinafter provided. Such submission shall be at the regular elections which are to be held on November 8, 1960.

Section 4. Bonds for park purposes and bonds for highways, bridges and tunnels to be designated distinguishably; separation of proceeds.

(a) Bonds of the ten million dollars authorized for state park purposes, and bonds of the ninety million dollars authorized for highways, bridges and tunnels shall be given separate and distinguishable designations by resolution of the Commission prior to the issuance of any of the 1960 bonds; and in all proceedings relating to authorization, sale and delivery the identity of the bonds shall be manifest; provided, however, the Commission may in its discretion, at one time or from time to time, offer for sale, upon the same occasion, all or any part of both of the separately designated blocks of bonds.

(b) The proceeds of bonds issued for park purposes shall be segregated by the Commission from all other monies and funds and shall constitute the "State Park Acquisition and Improvement Fund," hereby created; and expenditures thereform shall be made upon order of the Commissioner of Parks subject to financial and budgetary procedures as may be provided by law only for costs of establishing, developing and improving state parks, and developing and improving existing state parks, and upon order of the Commission for defraying expenses incident to the issuance of bonds. Pending expenditure, such proceeds shall be deposited in one or more financial institutions, and each institution shall give security by making a valid pledge to the Commonwealth of United States Government securities approved by the Commission and having an aggregate market value at all times at least equal to the current balance of the deposit; provided, however, the Commission may, in its discretion, cause all or any part of the monies in the said "State Park Acquisition and Improvement Fund" to be invested and from time to time reinvested in United States Government securities, and income received from such investments shall be retained in said fund and may be invested and reinvested in like manner. Securities held for the account of said fund shall be converted into cash, upon order of the Commission, and disbursed and expended whenever required for the designated purposes of the Fund.

(c) The proceeds of bonds issued for highways, bridges and tunnels shall be segregated by the Commission from all other monies and funds and shall constitute the "State Highway Construction Fund of 1960", hereby created; and expenditures therefrom shall be made upon order of the Commissioner of Highways of the Commonwealth for construction of highways, bridges and tunnels wherein there is to be federal cost participation; and by the Commission for defraying expenses incident to the issuance of bonds. Pending expenditure, such proceeds may be deposited, secured, invested, reinvested and converted into cash in the same manner as is provided in subsection (b) with reference to the proceeds of the bonds issued for park purposes.

Section 5. Bonds for park purposes and bonds for highways, bridges and tunnels to have separate sources of payment of principal and interest; provisions for levying taxes as required by the Constitution. All of said 1960 bonds shall, as aforesaid, be direct general obligation bonds of the Commonwealth and shall be issued with an irrevocable pledge of the full faith, credit, resources and unlimited taxing power of the Commonwealth, but in accordance with the mandatory requirement of Section 50 of the Constitution of the Commonwealth there shall be levied and collected, annually, taxes sufficient to pay the interest stipulated, and to discharge the debt within 30 years, as follows:

(a) In order to provide for the payment of the stipulated interest, and to discharge within 30 years the indebtedness to be evidenced by the ten million dollars of 1960 bonds to be issued for acquisition, development and improvement of state parks and for development and improvement of existing state parks, there shall be levied and collected annually so long as any of such bonds are outstanding and unpaid, taxes of the Commonwealth upon all real property, tangible personal property, and intangible personal property from time to time subject to taxation by the Commonwealth, at rates not less than the rates now imposed by law or rates so adjusted as not in any event to jeopardize the prompt payment of principal of and interest on said bonds when due and payable. All proceeds of such taxes, to the extent necessary for payment of the principal of and interest on the ten million dollars of 1960 bonds designated for state park purposes, as and when such principal and interest, respectively, shall become due and payable, are hereby appropriated for that purpose; and such amount thereof shall in each year be set aside in the State Treasury in the "Park Bond Sinking Fund", hereby created, and shall be held therein and disbursed and used upon order of the State Treasurer solely for the purpose of paying the principal of and interest on said bonds when and where due and payable, until all of said bonds, or such lesser amount thereof as may have been issued within 30 years from date of first issue shall have been paid in full. In each year, after setting aside such prescribed amount into the Park Bond Sinking Fund, the remainder of the proceeds of said identified taxes shall be available for any proper general fund purposes of the Commonwealth without restriction.

Monies from time to time set aside and deposited in said Park Bond Sinking Fund, as hereinabove provided, may be invested by the State Investment Commission from time to time in U. S. Government securities which mature, or are subject to redemption at the option of the holder, at or before the various times when cash funds will be required for payment of the maturing principal of and interest on said identified bonds; and income received from such securities shall be retained in the said Park Bond Sinking Fund and may be taken into consideration in the next ensuing annual determination of the amount of such tax proceeds required to be set aside into the said fund as hereinabove provided.

(b) In order to provide for the payment of the stipulated interest, and to discharge within 30 years the indebtedness to be evidenced by the ninety million dollars of 1960 bonds to be issued for the construction of highways, bridges and tunnels there shall be levied and collected, annually, taxes of the Commonwealth for the benefit of the State Road Fund in the form of license, excise taxes and fees relating to registration, operation and use of vehicles on public highways and excise taxes, use and license fees and taxes relating to gasoline and other motor fuels consumed upon the public highways in the Commonwealth, at rates not less than the rates now imposed by law or at rates so adjusted as to produce for the Road Fund not less than the amount now derived from all such sources. Subject to certain prior vested rights hereinafter enumerated, all proceeds of such taxes, to the extent necessary for payment of the principal of and interest on the ninety million dollars of 1960 bonds designated for the highways, bridges and tunnels, as and when such principal and interest, respectively, become due and payable, are hereby appropriated for that purpose; and such amount thereof shall in each year be set aside in the State Treasury into the "Highway Bond Sinking Fund of 1960", hereby created within the State Road Fund, and shall be held therein and disbursed and used upon order of the State Treasurer solely for the purpose of paying the principal of and interest on said identified bonds when and where due, until all of said bonds, or such lesser amount thereof as may have been issued within such period of 30 years, shall have been paid in full; provided, however, monies in said fund may be invested pending disbursement as in the case of monies in the Park Bond Sinking Fund as herein above provided. In setting aside monies from the proceeds of such taxes and fees into the Highway Bond Sinking Fund of 1960, due regard shall be had for any and all vested rights in and to such proceeds existing in favor of (i) the holders of general obligation bonds of the Commonwealth heretofore or hereafter issued and outstanding pursuant to Chapter 3, Acts of the Second Extraordinary Session of 1956, as authorized and approved by the voters at the general election on November 6, 1956 (ii) the holders of revenue bonds issued for constructing the turnpike between Louisville and Elizabethtown, Kentucky, as provided in KRS Chapter 177 and in a certain trust agreement made in connection with the issuance of said bonds, including recognition of the commitment of the Commonwealth to pay the cost of maintaining, repairing and operating said turnpike (iii) the holders of revenue bonds issued for the construction of certain bridges as set forth in KRS Chapter 180 and in certain trust indentures securing such bridge revenue bonds, including the commitment of the Commonwealth to pay the cost of operating and maintaining such bridges (iv) the holders of valid contracts of the Department of Highways which are in existence on the respective dates any bonds are issued pursuant to this Act and (v) the right of the several counties of the Commonwealth to receive distribution of certain revenues for the respective County Road Funds as provided in KRS 47.020. The right is reserved to the Commonwealth to provide in the future for the construction of additional turnpikes and bridges and financing the same by issuing revenue bonds; and in all such instances the Commonwealth shall have the right to create for the security and source of payment of such revenue bonds a first and prior pledge of and lien upon any and all revenues identified as being generated by such respective projects. In each year, after setting aside into the 1960 Highway Bond Sinking Fund the amount herein prescribed, and after due recognition of the rights enumerated above, the remainder of the proceeds derived from such taxes and fees may be expended and used for any lawful and proper purposes of the State Road Fund as otherwise permitted by the Constitution and laws of the Commonwealth.

Section 6. In the event the unissued 1956 bonds are not sold by the Commission on or prior to August 31, 1960, as provided in Section 1(b) of this Act, the form of the question which shall be caused to appear upon the ballots at the occasion of the general election to be held on November 8, 1960, shall be as follows:

GENERAL OBLIGATION BONDS OF THE COMMONWEALTH FOR HIGHWAYS AND PARKS

"Are you in favor of the Act of the General Assembly known as House Bill No. ———, enacted at the regular session of 1960, wherein it is proposed to remove the three per cent interest rate limitation presently applicable and permit the otherwise lawful rate to apply to unissued bonds of the Commonwealth's issue of general obligation bonds for highways, bridges and tunnels, authorized by the voters at an election held on November 6, 1956, and that the Commonwealth issue and sell additional general obligation bonds in the principal sum of one hundred million dollars from the proceeds of which ten million dollars will be set aside for establishing, developing, and improving state parks and developing and improving existing state parks, and ninety million dollars will be set aside for constructing and improving highways, bridges and tunnels in the Commonwealth wherein there is to be federal cost participation?"

Section 7. In the event the said unissued 1956 bonds are sold by the Commission on or prior to August 31, 1960, the form of the question which shall be caused to appear on the ballots at the occasion of said general election to be held November 8, 1960, shall be as follows:

GENERAL OBLIGATION BONDS OF THE
COMMONWEALTH FOR HIGHWAYS AND PARKS

"Are you in favor of the Act of the General Assembly known as House Bill No. ———, enacted at the regular session of 1960, wherein it is proposed that the Commonwealth issue and sell its general obligation bonds, in addition to all bonds heretofore authorized by the voters, in the principal sum of one hundred million dollars from the proceeds of which ten million dollars will be set aside for establishing, developing, and improving state parks and developing and improving existing state parks, and ninety million dollars will be set aside for constructing and improving highways, bridges and tunnels in the Commonwealth wherein there is to be federal cost participation?"

Section 8. This Act shall be submitted to the people of the Commonwealth at the general election to be held on November 8, 1960. The fact of such submission shall be publicly advertised in the following ways:

(a) It shall be the duty of the Secretary of State, immediately after September 1, 1960, to determine whether the ballot question shall be the one set forth in Section 6 of this Act, or the one set forth in Section 7 hereof, and to inform the Attorney General of the Commonwealth of such determination. It shall then be the duty of the Attorney General to prepare and furnish to the Secretary of State, not later than September 15, 1960, a form of "Notice of Election," which shall be so designated, shall conform to any requirements otherwise provided by law for notices of elections, and further shall set forth the proper ballot question in full, and this Act in full, with provisions for the signature of the Secretary of State.

The Secretary of State shall transmit a copy of such form of "Notice of Election" to each of five daily newspapers of bona fide general circulation, published in different areas of the Commonwealth and selected in the discretion of the Secretary of State, with directions that the same be published in each of such newspapers in the form of a legal notice, in one issue published in each of the calendar weeks commencing on Mondays, October 10, 17, 24, and 31, 1960, but not in any Sunday issue. Each such newspaper shall publish the same as directed, in the size type customarily used by it in publishing legal notices, and shall be entitled to payment according to its standard prevailing rate for publication of legal notices. After the last publication, each such newspaper shall provide to the Secretary of State, with or before its bill for publication, at least three copies of an affidavit sufficient to constitute proper proof of publication, and if the Secretary of State finds the same to be in order he shall be authorized to draw a warrant upon the State Treasurer for payment from uncommitted monies in the general fund of the Commonwealth.

(b) The Secretary of State shall deliver a copy of said form of "Notice of Election" to the State Printer, and thereupon the State Printer shall promptly prepare and furnish to the Secretary of State at least 125 copies of such notice in the form of handbills of sufficient size and type composition as to be ordinarily legible. The Secretary of State shall furnish a copy of the notice in such handbill form to the Clerk of the County Court of each County of the Commonwealth, and it shall be the duty of each County Court Clerk, upon receiving the same, to post the same at or near the County Courthouse Door, or otherwise as notices of judicial sales and other Court proceedings are customarily posted.

(c) Each County Court Clerk shall cause a facsimile of the ballot question to be published as may be required by law.

(d) If the Secretary of State shall perform in proper and timely fashion each of the duties provided in this Section to be performed by him, any failure of others to perform duties and functions as herein provided shall not invalidate the election as to approval or disapproval of this Act, if upon consideration of the Commonwealth as a whole, it shall appear that the qualified voters were fairly apprised of the election.

Section 9. Said election shall be conducted in conjunction with the regular elections otherwise provided by law to be held on the same day, by the same election officers and at the same polling places. The votes cast in favor of and against this Act shall be canvassed and certified to the State Board of Election Commissioners as in the case of votes cast in the election of officers of the state at large. If it be found that a majority of the votes cast on the question were in favor of this Act, the State Board of Election Commissioners shall so certify to the Governor and the Governor shall proclaim that this Act has been approved and is in effect.

Section 10. If the question submitting this Act to the people at said election on November 8, 1960, shall have been in the form set forth in Section 6 hereof, then from and after the proclaiming by the Governor that this Act has been approved and is in effect, any unissued bonds of the issue for highways, bridges and tunnels, as proposed by Chapter 3, Acts of the Second Extraordinary Session of 1956, approved and authorized by the voters at the election held on November 6, 1956, as aforesaid, may be sold and issued by the Commission, at one time or from time to time, in strict conformity with all provisions of said Chapter 3, Acts of the Second Extraordinary Session of 1956, with the sole exception that pursuant to the voters' authorization and approval of this Act, the heretofore prevailing interest rate limitation of three per cent per annum may be disregarded and any or all of said bonds may be sold and issued to bear any interest rate or not exceeding the then prevailing maximum rate as prescribed by statute in and for the Commonwealth generally.

Section 11. *Bonds to mature in thirty years; other details to be established by the State Property and Buildings Commission.* If this Act be approved by a majority of the votes cast thereon at said election, the initial date of issue of the 1960 bonds shall be established by resolution of the State Property and Buildings Commission prior to the first issuance and sale of any of said bonds; and thereafter all of the 1960 bonds, whenever issued, shall be dated as of said date, and shall mature as to principal on or prior to the thirtieth anniversary thereof. The bonds shall be sold for not less than par or face amount and shall bear interest at such rate or rates, but not to exceed the rate referred to in Section 10 hereof, as said Commission may determine, and interest may be made payable semi-annually. The bonds may be issued at one time or from time to time as the State Property and Buildings Commission may determine by its resolution or resolutions; and said Commission shall in its discretion determine all details thereof, including but not by way of limitation, their denominations, whether the bonds shall be of term or serial maturities, and the amount which shall mature on any serial maturity date; whether the bonds, or any of them, shall be subject to redemption prior to stated maturities and upon what terms; place or places of payment of principal and interest, which may be within the Commonwealth or outside thereof; whether interest shall be evidenced by annexed coupons; whether the bonds shall be registered or registrable as to principal or interest, or both, and any other details not contrary to law or inconsistent with this Act which in the discretion of said Commission may appear wise and expedient.

Section 12. *Bonds to be sold at public sale or sales; manner of advertising; interest rates to be established by the Commission and may be determined on basis of competition.* The bonds shall be sold by the Commission, in its discretion, at one sale or from time to time as funds are required for the identified purposes. Each sale shall be upon sealed purchase bids which shall be publicly opened and considered after solicitation at least ten days in advance by publication of a notice at least one time in a financial newspaper or journal published in the City and State of New York, and at least one time in a daily newspaper published in the Commonwealth and of bona fide general circulation throughout the Commonwealth. The Commission may fix one or more interest rates by resolutions adopted prior to publication of the solicitation notice, or may notify bidders to stipulate in their bids one or more interest rates of their own choosing and fix the rate or rates by resolution when action is taken upon the bids. The Commission shall reserve the right to reject bids.

Section 13. *Bonds exempt from taxation; designation of signing officers; temporary bonds or certificates, no other approvals required.*

The bonds and receipt of interest thereon shall be exempt from all taxation by the Commonwealth and its political subdivisons, municipalities and taxing districts. The bonds shall be signed in the name of the Commonwealth by the facsimile signatures of the Governor and Treasurer of the Commonwealth, and the Great Seal of the Commonwealth or a facsimile thereof shall be affixed thereto and attested by the validating manual signature of the Secretary of State, and the interest coupons, if any, shall be executed by the facsimile signature of the Treasurer. In case any officer whose signature or facsimile thereof shall appear on any bonds or coupons shall cease to be such officer before delivery of the bonds, such signature or facsimile thereof shall, nevertheless, be valid and sufficient for all purposes, the same as if he had remained in office until delivery. All bonds issued under this Act shall have and are hereby declared to have all the incidents of negotiable instruments. Prior to the preparation of definitive bonds, the Commission may issue temporary bonds or certificates, exchangeable for definitive bonds when the same shall have been executed and are ready for delivery; and provision may also be made for the replacement of any bonds which shall become mutilated, or be destroyed or lost. Bonds may be issued under the provisions of this Act without obtaining the consent of any department, division, commission, board, bureau or agency of the Commonwealth and without any other proceedings or the happening of any conditions, events or things other than the proceedings, conditions, events and things which are specifically required by this Act.

Section 14. As used in this Act, "year" means the fiscal year of the Commonwealth, commencing on the first day of July, and ending on the next ensuing thirtieth day of June, unless the context clearly shows a different meaning.

Representative Ray moved to adjourn until 9:00 a.m., March 11. Agreed.

FIFTY-FOURTH LEGISLATIVE DAY

FRIDAY, MARCH 11, 1960

The House was called to order by the Speaker.

Invocation by Reverend J. Carter Roberts of the Church of the Nazarene of Frankfort.

The roll was called. All present except Earl Carter, Davis, Dowell, Farmer, Hays, Miles, Parrish, Quinn and Reynolds, who were granted leave of absence on motion of Representative Lyon.

Reading of Journal for March 10, dispensed with and the same approved on motion of Representative Isler.

Introduction of Bills

HR 115, by Representative Ostertag:

HR 115, A RESOLUTION commending the Cherokee District of the Dan Beard Council of the Boy Scouts of America, and expressing the appreciation of the members of the House of Representatives for the kind invitation to attend and take part in the dedication of the Dan Beard Trailway on April the third, 1960.

WHEREAS, in this year which marks the Golden Anniversary of the founding of the Boy Scouts of America, the Cherokee District of the Dan Beard Council of Boy Scouts of America in connection with this anniversary will dedicate the Dan Beard Trailway on April the third; and

WHEREAS, the Dan Beard Trailway passes through an area of Kentucky replete with historical sites, which will in this year and in years hence be visited by Boy Scouts from throughout the central section of the United States; and

WHEREAS, the historical part that the Commonwealth of Kentucky played in the history of this nation will become better known and appreciated by means of these annual pilgrimages along the Dan Beard Trailway; and

WHEREAS, the Cherokee District of the Dan Beard Council has honored the members of the House of Representatives by extending an invitation to them to be present and take part in the dedication of the Dan Beard Trailway on April the third;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Cherokee District of the Dan Beard Council of the Boy Scouts of America be and is commended upon the opening of the Dan Beard Trailway.

Section 2. That the Cherokee District of the Dan Beard Council of the Boy Scouts of America be and is thanked by the members of the General Assembly for the kind invitation to attend and take part in the dedication of the Dan Beard Trailway on April the third, 1960.

Representative Ostertag moved to adopt **HR 115.** Agreed.

HR 118, by Representative Ray:

HR 118, A CONCURRENT RESOLUTION inviting the Woodmen of the World Life Insurance Society to locate its national headquarters in Kentucky.

WHEREAS, the central location of Kentucky gives transportation advantages to nation-wide organizations that locate their main offices here, in addition to the many other advantages of Kentucky, and

WHEREAS, location in Kentucky of the National Headquarters of the Woodmen of the World Life Insurance Society would benefit both the state and the company, and would fit into Kentucky's current economic development program;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the Woodmen of the World Life Insurance Society is invited to locate its national headquarters in Kentucky.

Section 2. That steps be taken to inform the Society of the adoption of this resolution, and of the warm welcome and hospitable reception that would be accorded to the Society and its officers and employees.

Representative Ray moved to adopt **HR 118.** Agreed.

HR 119, by Representative Fitzpatrick:

HR 119, A CONCURRENT RESOLUTION relating to the appointment of a parliamentarian for the General Assembly.

WHEREAS, the President of the Senate and the Speaker of the House of Representatives have many duties under the present rules of the two Houses of the General Assembly; and

WHEREAS, presiding over the respective chambers is an arduous and time consuming task, only one of many assigned to the presiding officers; and

WHEREAS, continuity and uniformity in rulings on points of order are essential to the effective workings of the legislative process; and

WHEREAS, it is desirable that rulings of the chair be appealed in as few instances as possible;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the Committee on Committees of the Senate and of the House of Representatives examine the desirability of appointing a parliamenatrian to serve the two chambers.

Section 2. That the committees consult with the Legislative Research Commission as to the availability of personnel for such assignment.

Section 3. That if the appointment of such a parliamentarian is found desirable and feasible, such appointment be made for all Sessions of the General Assembly succeeding the 1960 Regular Session, and that emphasis be placed on the appointment of a permanent person as well as the establishment of a continuing office.

Representative Fitzpatrick moved to adopt **HR 119.** Agreed.

HR 117, by Representative Chumbler:

HR 117, A CONCURRENT RESOLUTION memorializing the United States Corp of Army Engineers to make a study concerning the construction of a drainage ditch in Marshall County.

WHEREAS, the health of the residents of Marshall County is endangered by the accumulation of surplus water, which affords a breeding place for mosquitos and insects, in the lowlands of Marshall County; and

WHEREAS, the construction of a drainage ditch to drain the cypress swamp into the Tennessee River, said ditch running from the main lateral about one mile west of the town of Gilbertsville where the Illinois Central Railroad crosses the ditch north about one mile to the Tennessee River, would do much to alleviate the danger to the health of the residents of Marshall County;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

That the United States Corp of Army Engineers be and it is memorialized to make a study concerning the construction of a drainage ditch in Marshall County to drain the cypress swamp; said ditch running north about one mile to the Tennessee River from the main lateral about one mile west of the town of Gilbertsville where the Illinois Central Railroad crosses the ditch.

Representative Chumbler moved to adopt **HR 117.** Agreed.

Calendar

SR 38, HB 422, HB 472, HB 516, HB 517, HB 518, HB 519, HB 520, HB 521, HB 522, HB 523, HB 526, HB 529, SB 132, SB 153, HB 500, HB 513, HB 490, HB 462, HB 405, HR 80, SB 93, HB 228, SB 40, HB 433, SB 72, SB 73, SB 74, SB 75, SB 247, SB 235, SB 238, SB 250, SB 251, SB 252, SB 253, SB 245, SB 230, HB 477, HB 499, HB 531, HB 402, HB 504, HB 514 and **HB 354** were taken from the Calendar and ordered read at length for the second time. Representative Ray moved that they be read by title only. Agreed by a majority of members elected.

HB 506 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected. Agreed.

On the roll call, the vote was yeas 71—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Earl Carter, Castle, Childress, Clark, Cole, Colley, Cook, Cottengim, Crecelius, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Fern, Fields, Fitzpatrick, Ford, Garner, Hahn, Haley, Hall, Hardin, Harris, Hays, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lovins, Lyon, Ben Martin, Miller, Moloney, Fred Morgan, Murphy, Neel, Nichols, Nolan, Osborn, Peniston, Quinn, Rausch, Rayburn, Render, Roberts, Robinson, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Tanner, J. E. White, Wood, Young. Nays 3—Burress, Griffin and Glen T. White.

HB 506 was passed and the title agreed to.

HB 449 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected. Agreed.

On the roll call, the vote was yeas 61—Alexander, Bates, Baumgardner, Childress, Clark, Cole, Colley, Cook, Cottengim, Cowherd, Crecelius, Dexter, Dobyns, Dowell, Faulkner, Fern, Fields, Fitzpatrick, Ford, Garner, Griffin, Hahn, Haley, Hampton, Harris, Henry, Hinkle, Hislope, Houtchens, Hopkins, Isler, Lyon, Ben Martin, Miles, Miller, Moloney, Moorman, L. F. Morgan, Murphy, Neel, Nolan, Osborn, Ostertag, Osting, Peniston, Quinn, Rausch, Ray, Rayburn, Robinson, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Tucker, G. T. White, Wood, Young. Nays 13—Barton, Brizendine, Burress, Castle, Cornett, Dean, Denham, Edmunds, Ellis, Hays, Hill, Irick, and Roberts.

HB 449 was passed and the title agreed to.

HB 282 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time.

Representative Ray moved that it be read by title only. Agreed by a majority of members elected. Agreed.

On the roll call, the vote was yeas 69—Alexander, Bates, Brizendine, C. C. Carter, Earl Carter, Castle, Caudill, Childress, Clark, Colley, Cook, Cowherd, Crecelius, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Faulkner, Fern, Fields, Fitzpatrick, Ford, Garner, Griffin, Haley, Hall, Hampton, Harris, Hays, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lyon, Miles, Moorman, Fred Morgan, L. F. Morgan, Neel, Nichols, Nolan, Osborn, Osting, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Roberts, Robinson, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Stidham, Summe, Tucker, G. T. White, Wood, Young. Nays 0.

HB 282 was passed and the title agreed to.

Representative Ray moved the House concur in the following Senate amendment to **HB 216**: "Amend **HB 216** on page 2, section 4, lines 1 through 4 by striking Section 4 in its entirety and substituting in lieu thereof the following:

"Section 4. If a majority of the legal votes cast at such election in all of the cities, each city being a separate unit in the elections, proposing to merge or consolidate shall favor the merger or consolidation, then 30 days after the certification of the results of such election said cities shall become one city of the class of the largest of the old cities, but if a majority of the legal voters in either city vote "NO," the merger or consolidation shall fail." and on page 2, Section 5, lines 1 through 5 by striking Section 5 in its entirety and substituting in lieu thereof the following: "Section 5. The members of the legislative bodies of the merging cities shall continue to hold their offices in the new city, until their respective terms of office expire, and shall constitute a combined legislative body of the new city." title amend—to read "This Act shall be known as the Davis-Lyon Act." Agreed.

On the roll call, the vote was yeas 68—Barton, Bates, Brizendine, C. C. Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Paul Cornett, Cowherd, Crecelius, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Faulkner, Fern, Fields, Fitzpatrick, Ford, Garner, Hahn, Haley, Hardin, Hays, Henry, Hill, Hinkle, Hislope, Houtchens, Irick, Isler, Lovins, Lyon, Ben Martin, Miles, Moorman, Fred Morgan, L. F. Morgan, Murphy, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Robinson, J. D. Smith, Steiger, Stidham, Summe, Tucker, G. T. White, Wood. Nays 0.

HB 216 was passed and the title agreed to.

HB 446 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time.

Representative Ray moved that it be read by title only. Agreed by a majority of members elected. Agreed.

On the roll call, the vote was yeas 80—Alexander, Barton, Bates, Baumgardner, Brizendine, C. C. Carter, Earl Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Paul Cornett, Cowherd, Crecelius, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Faulkner, Fern, Fitzpatrick, Ford, Garner, Griffin, Hahn, Haley, Hall, Hampton, Hardin, Harris, Hays, Hill, Hinkle, Hislope, Houtchens, Irick, Isler, Lankford, Lovins, Ben Martin, C. H. Martin, Miles, Miller, Moorman, Fred Morgan, L. F. Morgan, Murphy, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Peniston, Qualls, Quinn, Rausch, Rayburn, Render, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Tucker, G. T. White, J. E. White, Wood, Young. Nays 0.

HB 446 was passed and the title agreed to.

The Speaker vacated the Chair, and Representative Wathen presided.

HB 327 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected. Agreed.

On the roll call, the vote was yeas 76—Alexander, Barton, Bates, Baumgardner, Brizendine, C. C. Carter, Earl Carter, Castle, Childress, Clark, Cole, Colley, Paul Cornett, Cowherd, Crecelius, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Faulkner, Fern, Ford, Griffin, Hahn, Haley, Hampton, Hardin, Hardwick, Harris, Hays, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, L. F. Morgan, Neel, Nichols, Nolan, Osborn, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Roberts, Robinson, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Stidham, Summe, Tucker, G. T. White, J. E. White, Wood, Young. Nays 1—Spurrier.

HB 327 was passed and the title agreed to.

HB 474 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected. Agreed.

Representative Bates moved to amend **HB 474** as follows: "Amend printed copy of **HB 474** on page 1, section 1, line 3 through 9 by deleting subsection (1) and substituting therefor, the following: "(1) Any land to be sold under execution or by other order of court shall be sold to the highest bidder at the courthouse door of the county in which it lies, on the first day of a count or circuit court held for the county, or on the premises if so specified by the defendant, which place of sale shall be stated in the order or judgment of the court. Only so much land shall be sold as will satisfy the execution under which the sale is made." Agreed.

On the roll call, the vote was yeas 54—Barton, Bates, C. C. Carter, Castle, Caudill, Cole, Cook, Paul Cornett, Cowherd, Crecelius, Dean, Dexter, Dobyns, Dowell, Faulkner, Fern, Fields, Ford, Garner, Hahn, Haley, Hall, Hampton, Harris, Hays, Hinkle, Hislope, Houtchens, Hopkins, Isler, Lovins, Lyon, Ben Martin, Miles, Fred Morgan, L. F. Morgan, Nichols, Nolan, Peniston, Qualls, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Stidham, Summe, Tanner, Treas, Tucker, J. E. White, Wood. Nays 11—Alexander, Baumgardner, Childress, Edmunds, Ellis, Hill, C. H. Martin, Miller, Neel, Quinn, Rausch.

HB 474 was passed and the title agreed to.

HB 349 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected. Agreed.

On the roll call, the vote was yeas 58—Barton, Bates, Baumgardner, Brizendine, C. C. Carter, Childress, Clark, Cole, Colley, Crecelius, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Fern, Fields, Ford, Hahn, Hill, Hinkle, Houtchens, Hopkins, Irick, Isler, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moorman, Fred Morgan, L. F. Morgan, Murphy, Nichols, Osborn, Osting, Peniston, Quinn, Rausch, Rayburn, Render, Roberts, Robinson, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Summe, Tanner, Treas, Tucker, J. E. White, Wood. Nays 0.

HB 349 was passed and the title agreed to.

HB 511 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected. Agreed.

On the roll call, the vote was yeas 63—Alexander, Bates, Baumgardner, C. C. Carter, Earl Carter, Caudill, Childress, Clark, Cole, Cook, Cowherd, Crecelius, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Faulkner, Fern, Fields, Hahn, Haley, Harris, Hill, Hinkle, Houtchens, Hopkins, Irick, Isler, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Fred Morgan, Nichols, Osborn, Osting, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Roberts, Robinson, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Stidham, Summe, Tanner, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 0.

HB 511 was passed and the title agreed to.

HB 401 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected. Representative Ray moved to adopt Committee Substitute to **HB 401.** Agreed.

Representative Haley moved to recess for ten minutes. Agreed.

At the appointed hour, the Speaker resumed the Chair.

Representative Ray moved to amend **HB 401.**

Representative Moloney moved that when the House adjourn today; that it do so until 6:00 P.M., Monday, March 14. Agreed.

Introductions of Bills

HB 542, by Representative Robinson: AN ACT relating to newspapers.

HB 543, by Representative Neel: AN ACT relating to contracts for the sale of cemetery merchandise.

HB 544, by Representative Robinson: AN ACT relating to education.

Representative Young moved to adjourn. Agreed.

FIFTY-SIXTH LEGISLATIVE DAY

MONDAY, MARCH 14, 1960

The House was called to order by the Speaker.

Invocation by Reverend John C. Chenault of the First Christian Church of Frankfort.

The roll was called. All present except Bates, Earl Carter, Caudill, Edmunds, Garner, Hardwick, Hislope, Parrish, Ray, Rayburn, Reynolds, Tanner and Wathen, who were granted leave of absence on motion of Representative Lyon.

Reading of Journal for March 11, dispensed with and the same approved on motion of Representative Isler.

Orders of the Day

Representative Barton moved to amend the Committee Substitute to **HB 401** as follows: "Amend printed copy of **HB 401** on page 7, Section 7 by adding A new Section to be known as Section 8, to read as follows: "Section 8. Nothing in the foregoing sections of House Bill 401 shall be applicable to the mining of ball clay." Agreed.

Representative Ray moved to adopt the above amendment. Agreed.

On the roll call, the vote was yeas 69—Alexander, Barton, Bates, Baumgardner, Buckman, Castle, Caudill, Childress, Colley, Cook, Cowherd, Crecelius, Davis, Dean, Dexter, Dowell, Edmunds, Ellis, Farmer, Fern, Fields, Fitzpatrick, Ford, Hahn, Haley, Hampton, Hardin, Harris, Henry, Hill, Hinkle, Houtchens, Hopkins, Irick, Isler, Lovins, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Fred Morgan, Neel, Nichols, Nolan, Osborn, Osting, Peniston, Qualls, Quinn, Ray, Rayburn, Render, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Spurrier, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, Wood, Young. Nays 12—Burress, C. C. Carter, Clark, Cornett, Dobyns, Faulkner, Griffin, Hall, Hays, Lankford, Murphy, Ostertag. **HB 401** was passed and the title agreed to.

Senate Message

Announcing passage of **SB 3, SB 49, SB 185, SB 203, SB 246, SB 255, SB 257, SB 266, SB 263, SR 51, SR 55, SR 56, SR 57, SR 58, SR 59, HB 179, HB 184, HB 193, HB 264, HB 274, HB 275, HB 301, HB 319, HR 64** and **HR 118.**

Introduction of Resolution

HR 120, by Representatives Cowherd, Hill, Dexter, A. C. Smith, Denham, Osborn, Clark, Osting, Haley, J. D. Smith, Tanner, Irick, V. Smith, Dean, Cottengim, Colley, Cole, G. T. White, Hampton, Fitzpatrick, Isler, Summe, Murphy:

HR 120, A RESOLUTION RELATING TO special investigating committee on education.

WHEREAS, the sucessful practice of democracy depends on tolerance and respect for diverse customs, religions and beliefs; and

WHEREAS, this self-evident principle is recognized and affirmed in the Constitution of the Commonwealth of Kentucky; and

WHEREAS, religious prejudice and bigotry are enemies of democracy and violate the principles on which this Commonwealth was founded and has survived; and

WHEREAS, a duly constituted Committee of this House of Representatives in compliance with a mandate from this House has conducted an investigation of the common school system of the Commonwealth; and

WHEREAS, the motives and actions of this Committee have been impugned on religious grounds;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That this attack is deplored and condemned, and further, that this House reaffirms its confidence in the integrity of the Special Investigating Committee on Education created by House Resolution 55, and that a copy of this Resolution be delivered to each member of the Committee.

Representative Cowherd moved the adoption of **HR 120.** Agreed.

Orders of the Day

HB 422, taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 76—Alexander, Barton, Baumgardner, Brizendine, Buckman, C. C. Carter, Earl Carter, Castle, Childress, Clark, Colley, Cook, Paul Cornett, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Faulkner, Fern, Fields, Fitzpatrick, Ford, Hahn, Haley, Hall, Hampton, Hardin, Harris, Hill, Hinkle, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Ben Martin, C. H. Martin, Miles, Miller, Fred Morgan, L. F. Morgan, Murphy, Neel, Nichols, Nolan, Osborn, Osting, Peniston, Qualls, Quinn, Rausch, Ray, Render, Reynolds, Roberts, Robinson, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White, Wood. Nays 4—Burress, Hislope, Ostertag, Spurrier. **HB 422** was passed and the title agreed to.

HB 472 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 78—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, Earl Carter, Castle, Caudill, Childress, Clark, Colley, Cook, Cowherd, Davis, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Faulkner, Fern, Fields, Fitzpatrick, Ford, Hahn, Haley, Hall, Hampton, Hardin, Harris, Hays, Hill, Hinkle, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Ben Martin, C. H. Martin, Miles, Miller, Fred Morgan, L. F. Morgan, Murphy, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Roberts, Robinson, Slusher, A. C. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White, Wood. Nays 0.

HB 472 was passed, and the title agreed to.

HB 385 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 80—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, Burress, Earl Carter, Castle, Caudill, Childress, Chumbler, Clark, Cook, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Faulkner, Fern, Fields, Fitzpatrick, Ford, Hahn, Haley, Hall, Hampton, Harris, Hays, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Ben Martin, C. H. Martin, Miles, Miller, Fred Morgan, L. F. Morgan, Murphy, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Peniston, Qualls, Quinn, Rausch, Ray, Render, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Spurrier, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White, Wood. Nays 0. **HB 385** was passed and the title agreed to.

HB 495 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Moloney moved to amend **HB 495** as follows: "Amend printed copy of HB #495 on page 5, section 6, line 15 by striking in its entirety paragraph (3)." Agreed.

Representative Moloney moved to amend **HB 495** as follows: "Amend printed copy of HB 495 on page 12, section 16, paragraph (2), line 14 by striking the period after the word "taxes" and substituting in lieu thereof a semicolon and adding the following: "provided, however, no tax shall be imposed by the state or any subdivision thereof upon, or measured by, that portion of the excise tax imposed upon pari-mutuel betting at running and trotting horse race tracks which is collected and retained by the operators thereof under the provisions of KRS 138.510 to 138.550, both inclusive." Agreed.

On the roll call, the vote was yeas 54—Alexander, Bates, Baumgardner, Buckman, Earl Carter, Caudill, Childress, Chumbler, Cook, Cowherd, Crecelius, Davis, Dean, Dexter, Dowell, Edmunds, Fern, Fields, Fitzpatrick, Hahn, Haley, Hardin, Harris, Hill, Hinkle, Houtchens, Hopkins, Isler, Lovins, C. H. Martin, Miles, Moloney, Fred Morgan, L. F. Morgan, Nichols, Nolan, Osborn, Osting, Peniston, Qualls, Quinn, Ray, Rayburn, Reynolds, Robinson, A. C. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Treas, Tucker, Young. Nays 11—Burress, C. C. Carter, Castle, Denham, Dobyns, Ellis, Hays, Irick, Murphy, Ostertag, Spurrier. **HB 495** was passed and the title agreed to.

HB 497 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Ray moved to adopt Committee Substitute to **HB 497**. Agreed.

On the roll call, the vote was yeas 19—Bates, Brizendine, Buckman, Childress, Chumbler, Farmer, Fern, Fitzpatrick, Ford, Haley, Irick, Nichols, Osborn, Quinn, Rayburn, Slusher, A. C. Smith, Steiger, Stidham. Nays 57—Alexander, Barton, Baumgardner, Burress, Chas. C. Carter, Castle, Caudill, Clark, Cook, Cornett, Crecelius, Davis, Dean, Dexter, Dobyns, Edmunds, Ellis, Faulkner, Fields, Griffin, Hahn, Hall, Hampton, Hardin, Hardwick, Harris, Hays, Hill, Hislope, Houtchens, Isler, Lankford, Lyon, Ben Martin, C. H. Martin, Miles, Moloney, Moorman, Murphy, Neel, Nolan, Ostertag, Peniston, Ray, Reynolds, Robinson, J. D. Smith, Spurrier, Stacy, Summe, Tanner, Tucker, Wathen, Glen T. White, John E. White, Wood, Young. **HB 497** motion to adopt Committee Substitute was rejected.

Representative Ray moved that the vote by which **HB 497** was defeated be reconsidered.

On the roll call, the vote was yeas 39—Bates, Baumgardner, Brizendine, Buckman, Earl Carter, Childress, Chumbler, Colley, Cottengim, Dean, Denham, Dexter, Dowell, Farmer, Fern, Fields, Fitzpatrick, Ford, Haley, Henry, Hill, Hinkle, Hopkins, Irick, Neel, Nichols, Osborn, Osting, Qualls, Quinn, Rayburn, Render, Reynolds, Roberts, Robinson, A. C. Smith, Virgil Smith, Steiger, Stidham. Nays 44—Alexander, Barton, Burress, Chas. C. Carter, Castle, Caudill, Clark, Cook, Cornett, Crecelius, Davis, Dobyns, Edmunds, Ellis, Faulkner, Griffin, Hahn, Hall, Hampton, Hardin, Harris, Hays, Hislope, Houtchens, Lankford, Lyon, C. H. Martin, Miles, Moloney, Moorman, Murphy, Nolan, Ostertag, Peniston, Slusher, J. D. Smith, Spurrier, Stacy, Summe, Tucker, Wathen, Glen T. White, John E. White, Young. The motion to reconsider **HB 497** was rejected.

HB 502 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 84—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, Burress, C. C. Carter, Earl Carter, Castle, Childress, Chumbler, Clark, Cook, Cottengim, Cowherd, Davis, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Faulkner, Fern, Fields, Fitzpatrick, Ford, Griffin, Hahn, Haley, Hall, Hampton, Hardin, Harris, Hays, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, L. F. Morgan, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Peniston, Qualls, Ray, Rayburn, Reynolds, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Spurrier, Stacy, Steiger, Stidham, Summe, Tanner, Tucker, G. T. White, J. E. White, Wood. Nays 0. **HB 502** was passed, and the title agreed to.

Report on Enrolled Bills

Committee on Enrollment reported that **HB 207, HB 251, HB 162, HB 232, HB 216, HR 63** had been examined and found correctly enrolled. **HB 207, HB 251, HB 162, HB 232, HB 216** and **HR 63** read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 207, HB 251, HB 162, HB 232, HB 216 and **HR 63** delivered, signed by President of the Senate. Ordered delivered to the Governor.

Motions, Petitions and Communications

Representative Ray moved to recess for one hour for Rules Committee Meeting. Agreed.

At the appointed hour the Speaker resumed the Chair.

Representative Ray moved to suspend the Rules for Committee Reports. Agreed.

Report of Committee

Committee on Rules reported **SB 150, SB 266, SB 239, SB 214, HB 510, HB 543, HB 461, HB 535, HB 538, HB 261, HB 452, HB 479, HB 374, HB 482, SB 219, HB 509, HB 480, HB 161, HB 541, HB 512, SB 203, HB 136, HB 545, SB 257, SB 263, SB 246** and **SB 102** with Committee Substitute, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 150, AN ACT relating to metropolitan sewer districts and the acquisition of lands or interest therein or personal property.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 76.110 of the Kentucky Revised Statutes is amended to read as follows:

(1) The district shall have the power to acquire by purchase, gift or eminent domain proceedings, the fee, or such right, title, interest or easement, in such lands as may be deemed by the district necessary for any of the purposes mentioned in this Chapter, whether within or without the district and any personal property necessary for the purposes of the district. Such lands or interest therein, or personal property may be so acquired whether or not the same are owned or held for public use by corporations, associations, or other persons having the power of eminent domain, or otherwise held or used for public purposes. Forthwith upon the acquisition of any such fee, right, title, interest or easement, or personal property, the same shall be and become dedicated to the uses and purposes of the district.

(2) The method of condemnation of such property shall be (a) as provided in KRS 416.120, (b) as provided in KRS 76.080 (6), or (c) as provided in KRS 416.230 to 416.310 inclusive or as hereinafter provided.

(3) When a metropolitan sewer district has filed a proceeding to condemn land or any interest therein or personal property, pursuant to the provisions of KRS 416.230 to 416.310, and the board of such district shall determine that the necessity for procuring possession of the property is urgent, it may pass a resolution, at the time that said condemnation is authorized or at any time thereafter for a declaration of taking, declaring that said lands are to be taken for the use of a metropolitan sewer district.

Said declaration of taking shall contain, or have annexed thereto, the following:

(a) A statement of the authority under which and, the public use for which, said lands are taken;

(b) A description of the lands taken sufficient for identification thereof;

(c) A statement of the estate or interest in said lands taken for said public use;

(d) A plat showing the lands taken.

(4) At any time after the report of the commissioners has been made, the metropolitan sewer district may file said declaration of taking and make a deposit with the clerk of the court of the sum of money stated in the award of the commissioners appointed. Title to said lands in fee simple or such lesser estate as is specified in said declaration or to said personal property shall then vest in such metro-

politan sewer district, and the right to just compensation for said land or interest therein or personal property shall vest in the persons entitled thereto. Said compensation shall be ascertained and awarded in said proceeding as otherwise provided in KRS 416.230 to 416.310 inclusive.

SB 266, AN ACT relating to unemployment insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 341.070 of the Kentucky Revised Statutes is amended to read as follows:

Subject employer. As used in this chapter, unless the context clearly requires otherwise, "subject employer" means:

(1) Any employing unit which, in each of three calendar quarters in the preceding calendar year, had in covered employment four or more workers (whether or not the same workers), to as many as four of whom at least fifty dollars in wages was payable to each with respect to such covered employment in each such quarter.

(2) Any employing unit which for some portion of a day (but not necessarily simultaneously) in each of twenty different weeks (whether or not such weeks are consecutive) within either the current or the preceding calendar year, has or had in covered employment four or more workers (whether the same workers are or were employed in each such day).

(3) Any employing unit that succeeds to the organization, trade or business of another employing unit which at the time of such succession is a subject employer; and any employing unit which succeeds to the organization, trade, or business of any previously separate portion of another employing unit, which portion, if treated as a separate employing unit, would be, at the time of the succession, a subject employer under subsections (1) or (2) of this section.

(4) Any employing unit that succeeds to any of the assets of a subject employer's business by any means whatever, otherwise than in the ordinary course of trade, is a subject employer if:

(a) The transferee has continued or resumed the business of the transferor, either in the same establishment or elsewhere; and

(b) The transferee has employed substantially the same workers as those the transferor had employed in connection with the assets acquired; and

(c) The transferee has acquired a previously separate portion of the transferor's assets, which portion, if treated as a separate employing unit, would be, at the time of the succession, a subject employer under subsections (1) or (2) of this section.

(5) Any other employing unit which has elected to become subject to this chapter, pursuant to subsection (3) of KRS 341.250.

(6) Any employing unit which has in covered employment within this state workers subject to the Federal Unemployment Tax Act.

(7) Any employing unit which acquires the organization, trade, or business, or substantially all of the assets thereof, of another employing unit, if the covered employment of such employing unit subsequent to such acquisition, together with the covered employment of the acquired unit prior to such acquisition, both within the same calendar year, would be sufficient to constitute such employing unit a subject employer under the provisions of subsections (1) or (2) of this section. For the purpose of KRS 341.260 wages paid by the acquired unit shall be considered as having been paid by the acquiring unit.

(8) Any employing unit which, together with one or more other employing units, is owned or controlled (by legally enforceable means or otherwise) directly or indirectly by the same interests, or which owns or controls (by legally enforceable means or otherwise) one or more other employing units, and which, if treated as a single employing unit with such other employing units or interests, or both, would be a subject employer under subsections (1) or (2) of this section.

(9) Any employing unit which, having become a subject employer under subsections (1) to (8) of this section, has not ceased to be a subject employer under KRS 341.250.

(10) Notwithstanding the provisions of this section or any other provision of this chapter, no employing unit shall be initially determined a subject employer on the basis of covered employment performed more than six calendar years prior to the year in which such determination is made, unless the Commissioner can show that the records of such employment experience were fraudulently concealed or withheld for the purpose of escaping liability under this chapter.

Section 2. Section 341.380 of the Kentucky Revised Statutes is amended to read as follows:

Payment of benefits; amount. (1) All benefits shall be paid through employment offices, or such other agencies as may be designated by regulations of the Commission. Claims for all payments of benefits shall be made in accordance with regulations of the Commission.

(2) Benefits payable to an eligible worker for weeks of unemployment shall, except as provided in KRS 341.390, be at the rate in Column "C" of "Table B" on the same line on which, in Column "B," there appears the amount of base-period wages paid to him in that calendar quarter of his base period in which such base-period wages were highest.

TABLE B

Wage Class (A)	High Quarter Wages (B)	Weekly Benefit Rate (C)
0	Less than $250.00	$ 0.00
1	$250.00 – 287.50	11.00
2	287.51 – 312.50	12.00
3	312.51 – 337.50	13.00
4	337.51 – 362.50	14.00
5	362.51 – 387.50	15.00
6	387.51 – 412.50	16.00
7	412.51 – 437.50	17.00
8	437.51 – 462.50	18.00
9	462.51 – 487.50	19.00
10	487.51 – 512.50	20.00
11	512.51 – 537.50	21.00
12	537.51 – 562.50	22.00
13	562.51 – 587.50	23.00
14	587.51 – 612.50	24.00
15	612.51 – 637.50	25.00
16	637.51 – 662.50	26.00
17	662.51 – 687.50	27.00
18	687.51 – 712.50	28.00
19	712.51 – 737.50	29.00
20	737.51 – 762.50	30.00
21	762.51 – 787.50	31.00
22	787.51 – 812.50	32.00
23	812.51 – 837.50	33.00
24	837.51 – 862.50	34.00
25	862.51 – 887.50	35.00
26	887.51 – 912.50	36.00
27	912.51 or over	37.00

(3) The maximum amount of benefits payable to any worker within any benefit year shall be the amount equal to whichever is the lesser of (1) twenty-six times his weekly benefit rate or (2) one-third of his base-period wages, except that no worker's maximum amount shall be less than fifteen times his weekly benefit rate. Such maximum amount, if not a multiple of one dollar, shall be adjusted to the nearest multiple of one dollar.

Section 3. Section 2 of this Act shall become effective as of July 1, 1960, and nothing in this Act shall change or affect any determination made by the Commissioner or Commission under the provisions of KRS Chapter 341 prior to that date or determinations which will become effective prior to that date.

SB 239, AN ACT relating to conservation officers.

WHEREAS, the conservation officer's of the Department of Fish and Wild Life Resources have duties and encounter hazards more closely allied to those of the State Police than to those of other state employes, resulting in the need for a retirement system similar to that of the State Police,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

(1) Notwithstanding anything to the contrary contained in KRS 16.605 through KRS 16.990 and KRS 61.510 through 61.700, the Governor by appropriate Executive Order, may transfer from the membership of the Kentucky Employes Retirement System to the membership of the State Police Retirement System all present and future employes of the Department of Fish and Wild Life Resources designated as "Conservation Officers". With respect to all employes so transferred from the Kentucky Employes Retirement System to the State Police Retirement System on the effective date of the Executive Order, the accumulated contributions of the employes and 98% of employer contributions paid with respect to such employes shall be determined and shall be transferred from the Kentucky Employes Retirement System fund to the State Police Retirement System fund as soon as practicable. A determination shall be made of the increase in actuarial liabilities under the State Police Retirement System resulting from the transfer of such employes, and the employer (Department of Fish and Wild Life Resources) rate, with the approval of the Commissioner of Finance, shall be adjusted appropriately with respect to all employes of the Department of Fish and Wild Life Resources who are covered by the State Police Retirement System in order to provide appropriately for the increase in actuarial liabilities to the extent not provided for by said transfer of funds, and the cost of the actuarial determination shall, with the approval of the Commissioner of Finance, be paid from funds available to the Department of Fish and Wild Life Resources.

(2) Retired employes who were designated as Conservation Officers receiving benefits from the Kentucky Employes Retirement System and who are re-employed after the effective date of this Act shall not be eligible for membership in the State Police Retirement System.

(3) Following the date of the Executive Order, employes transferred from the Kentucky Employes Retirement System to the State Police Retirement System shall have no rights to any benefits provided by the Kentucky Employes Retirement System.

(4) All employes transferred from the Kentucky Employes Retirement System to the State Police Retirement System who are age fifty-five or over on the date of said transfer shall contribute to the State

Police Retirement System until actual retirement or until July 1, 1961, whichever is earlier, provided, that no employe who attains age fifty-five on or after July 1, 1961, shall be permitted to continue in service.

SB 214, AN ACT relating to school districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Any party aggrieved by a decision of the State Board of Education as provided for in Section 160.045 of the Kentucky Revised Statutes shall within 30 days after the decision of the State Board of Education is made known in writing to the parties involved, have the right of appeal by petition to the Circuit Court of the County in which the school districts are involved, for review of the decision or ruling of the Board, the averse party and other parties to the original action being made respondents.

Section 2. The petition shall state fully the grounds on which a review is sought, assign all errors relied on and verified by the petitioner, who shall furnish copies of the petition to the respondents at the time of filing it. Summons shall issue upon the petition directing the averse party to answer within 20 days after service thereof and ordering the Board to send its entire original record, properly bound, to the Clerk of the Circuit Court, after certifying that such record is its entire original record, which shall be filed by the Clerk of the Circuit Court and such record shall then become and be considered by the Circuit Court on the review.

Section 3. No new or additional evidence may be introduced in the Circuit Court except as to defraud or misconduct of some person engaged in the administration of Chapter KRS 160 and affecting the order or ruling, but the Court shall otherwise hear the cause upon the record as certified by the Board and shall dispose of the cause in summary manner.

Section 4. The Court of review shall determine whether or not:

(a) The Board acted without or in excess of its powers;

(b) The order or decision was procured by a fraud;

(c) There is sufficient evidence to sustain the order or decision of the Board;

(d) The order or decision is not in conformity to the provisions of Chapter KRS 160;

(e) If findings of fact are in issue, whether such findings of fact support the decision or order.

Section 5. The Board and each party may appear in such review proceedings; the Court shall enter judgment affirming, modifying or setting aside the order or decision, or in its discretion remand the cause to the Board for further proceedings in conformity with the direction of the Court. The Court, may before judgment and upon a sufficient showing of fact, remand the cause to the Board.

Section 6. Appeals may be taken from the Circuit Court to the Court of Appeals in the same manner as common law cases are appealed.

HB 510, AN ACT relating to political parties, and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. At the primary election held under KRS 119.040 in 1960, and every four years thereafter, there shall appear on the ballot of each political party, as defined in KRS 119.010, the names of the candidates for the office of Precinct Committeeman and Committeewoman in the respective precincts in which they seek office.

Section 2. (1) Each candidate for the office of Precinct Committeeman or Committeewoman shall be a duly registered voter of the precinct in which he seeks to be elected. Any person desiring to become a candidate for Precinct Committeeman or Committeewoman of his party shall file a notification and declaration of candidacy, and accompanying affidavit, pursuant to the provisions hereof, with the county clerk of the county in which the office is sought at least forty-five days before the day of the primary election.

(2) The preparation and filing of notification, declarations and accompanying affidavits, and the printing of candidates' names on ballots, shall be as set forth in the provisions of KRS 119.050, except that in the preparation of the forms herein provided for, the word "election" shall be substituted for the word "nomination" wherever the latter shall appear, and the accompanying affidavit shall be signed by fifty (50) reputable electors, or twenty-five percent, whichever is smaller, of such precinct's electors, who are members of the party to which the candidate belongs and residents of the precinct in which he seeks election.

(3) Except in those counties using voting machines, the names of all duly qualified candidates for the office of Precinct Committeeman of a political party in a particular precinct shall be listed alphabetically in a single column, at the top of which shall be printed the words "Vote for One", and all candidates for the office of Precinct Committeewoman shall be treated in a like manner in a separate column, and all other requirements of KRS 119.180 shall be complied with. In those counties using voting machines, the provisions of KRS 125.060 and 125.070 shall be applicable.

(4) The county board of election commissioners shall canvass the results of the votes for precinct committeeman and committee-

woman and issue certificates of election to successful candidates in the manner provided for the canvassing of results and the issuing of certificates to successful candidates by KRS 119.230. Upon receipt of a certificate of election each Precinct Committeeman and Committeewoman so elected shall take office for the term of four years, and until his successor is elected as herein provided. In the event of a vacancy in the office of Precinct Committeeman or Committeewoman, by death, change of residence or otherwise, the County Committee, shall appoint a qualified successor from said precinct to serve until a successor has been elected as provided in Section 152 of the Constitution.

Section 3. No political party as defined in KRS 119.010 shall make a nomination to fill a vacancy under the terms of KRS 118.200, 119.020 (3) or 119.030 until Precinct Committeemen and Committeewomen have been elected as provided in this Act.

Section 4. (1) The Precinct Committeemen or Committeewomen receiving the highest number of votes shall be the precinct chairman of their respective precinct committees, and the other shall be vice-chairman, and they shall serve as though elected at large irrespective of any charges that may subsequently be made in precinct boundaries during their term. Each precinct Committeeman and Committeewoman shall have one vote for the conduct of party affairs. The chairmen shall have the power to appoint such precinct sub-committees for the conduct of such precinct business as may prove expedient, and Precinct Committeemen, Committeewomen and sub-committees shall have such other power and duties as may be provided by law or party rule.

(2) The other controlling committees of each political party or organizations shall be as follows:

(a) A State Central Committee composed of two Committeemen and two Committeewomen elected by the respective Congressional District Committee; each chairman of each Young Congressional District Party, sixteen committeemen appointed by the Chairman of the State Central Committee, one from each Congressional District and eight from at large; the National Committeeman, the National Committeewoman, a Chairman for Finance, a Treasurer, and the Chairman, none of whom need be elected from the State Central Committee membership herein provided for.

(b) Congressional District Committees composed of two Committeemen and two Committeewomen and the Chairman of the Young Republican or Democratic Club from each county and each Representative District lying within a county, within each Congressional District.

(c) County Committees for each county within the respective Congressional Districts composed of the Precinct Committeemen and Committeewomen elected as hereinbefore provided.

(d) In those instances wherein there are more than one Representative District within a county, such committees shall elect their representatives to the Congressional District Committees and shall also participate in the election of the overall County Committee provided for in (c) above.

(3) Each committee provided for in subsection (2) shall elect every four years a chairman, vice-chairman, secretary, a finance chairman who serves as treasurer, and such other officers as may be provided for by the Committee, by law or party rules. The chairmen of county committees shall be elected on the first Saturday following the primary election and the chairman of the State and District Committees shall be elected on the first Saturday thereafter. Party controlling committees shall elect executive committees which shall appoint such other committees, with such powers and duties as the Party Controlling Committees, law or party rules may provide. The members of the Party Controlling Committees shall be party members and residents of the particular Party Controlling Committee District. Members of such sub-committees shall be party members. Members of executive and other appointed committees, however, need not be confined to the duly elected Committeemen and Committeewomen.

Section 5. The county and Representative District Committee meetings shall be held on the first Saturday following the election of Precinct Committeemen and Committeewomen, and the District and State Committee meetings shall be held the following Saturday thereafter. The committee meetings shall be held at a suitable place and time to be designated by the retiring chairman of the committee. Notice of such meeting, giving the place and time, shall be sent to each member-elect by the retiring secretary of the committee by mail and a copy of the notice shall be run in a newspaper or newspapers of general circulation in the said Committee's district at least three days prior to any such meeting. The meeting shall be called to order by the retiring chairman, or secretary, or if there is no such officer, or if such officer is absent, then by a member of such committee elected; a temporary chairman and secretary shall be chosen and the Committee shall proceed to organize by the election of a chairman, vice-chairman, secretary, a finance chairman who serves as treasurer, and such officers as may be provided by law or rule. The Committee shall also immediately elect such members to such other Party-Controlling Committees as it may be its duty to elect, and the secretary shall immediately notify the retiring chairman and secretary of such Committee of the names and addresses of such elected members.

Section 6. (1) The Committees herein provided for shall hold at least one regularly scheduled annual meeting, on written notice to the Committee's members and on the call of Committee chairman. Upon the written request of one-third of a Committee's members, the chairman shall call a meeting of such committee with reasonable notice.

All Party Committees, the selection of which are provided for herein, shall serve until their successors are elected and qualify as herein provided. In the case of Controlling Committees, vacancies caused by death, resignation or removal from the precinct or district from which a Committeeman or member was chosen, the Controlling Committee, or, if authorized, its executive committee, shall fill the vacancy for the unexpired term by a majority vote of the members of such Committee that are present and voting.

(2) The members of Party Controlling Committees, and their respective sub-committees, shall be entitled to attend the meetings of their respective counterpart Committees at the next higher level; provided, however, that they shall not be entitled to vote upon any measure coming before such committees unless otherwise so provided.

Section 7. The State Central Committee of each Party coming under the provisions of the Act is hereby declared to be the highest party authority within the state and may, by proper and reasonable rules, regulations or resolutions, provide for all matters of party government for which no provision has been made by law. Upon refusal of any member or officer of any political committee of such party to comply with such rules, regulations or resolution as adopted, such member or officer may be removed by the State Central Committee after a hearing, upon reasonable notice.

Section 8. The State Central Committee of each party shall embody in its rules the calling of a quadrennial state convention to nominate candidates for presidential electors and to elect delegates to the national convention, unless otherwise provided by law. Two delegates to the State Convention shall be elected by each county and Representative District Committee and one additional delegate shall be so elected for every two thousand (2000) registered party voters voting in the preceding general election for Governor, or fractions thereof, above the first four thousand (4000) votes cast in the respective county and Representative District. Each county and Representative Committee shall be entitled to such alternates as the Party rules may provide. The majority of the qualified delegates in attendance at any such convention, or any other annual convention, shall have, by their vote, the power and authority to amend or revoke any rules, regulation or resolution adopted by the State Central Committee of such Party. Delegates to the State and National Convention and candidates for presidential electors need not be selected from the elected Committeemen and Committeewomen.

Section 9. All party officials, of the respective Political Parties, now in office shall remain in office until their qualified successors are elected under the provisions of this Act.

Section 10. Each duly elected Precinct Committeeman and Committeewoman shall pay dues of not more than ten dollars per annum, as provided by party rules. The dues shall be so divided that fifty per cent shall go to the State Central Committee, twenty five per cent to the Congressional District Committee and twenty five per cent to the County or Representative District Committee of which the Precinct Committeemen and Committeewomen are members. Local Control Committees may also provide, by local party rules, for the assessment of such local dues of not more than ten dollars per annum.

Section 11. At the state party convention held as provided in Section 8 of this Act, the State Central Committee of each party shall elect a Finance Committee, Campaign Committee, Organizational Committee and a Committee on Program and Issues, and may provide for such other committees as it deems fit. The members of the respective committees shall select a chairman and shall serve until their successors are elected at each succeeding party convention. Each committee shall be governed by such rules and regulations as the State Central Committee may provide and each shall carry out whatever assignments in its respective fields that may be delegated to it by the State Central Committee. The Local Party Control Committees, may, in like manner, elect such committees as herein provided and enact rules and regulations to govern them.

Section 12. The State Central Committee of each party shall at its party convention held in 1960 elect an executive secretary to serve at its pleasure. The secretary shall select and head a permanent research staff charged with the responsibility of investigating and studying party problems and affairs. The research staff shall have a permanent office to be selected by the State Central Committee. The secretary and members of the staff shall receive such compensation as the State Central Committee may authorize.

Section 13. All party officers and party committees provided for in this Act shall be elected by secret ballot.

Section 14. Representative District as used in this Act means those districts lying within a county.

Section 15. WHEREAS, it is imperative that the initial election of Precinct Committeemen and Committeewomen be held this coming primary, an emergency is hereby declared to exist and this Act shall become effective upon its passage and approval by the Governor.

HB 543, AN ACT relating to contracts for the sale of cemetery merchandise.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Whenever any person, firm, corporation, or other business organization engaged in the business of owning, maintaining, or operating a cemetery (hereinafter referred to as "cemetery"), except a religious organization, shall accept money in connection with a contract for the sale of cemetery merchandise and other personal property such as may be used in connection with disposing or commemorating the memory of a deceased human being, delivery of which may be longer than 90 days after the receipt of final payment on such sale, the cemetery shall deposit in a trust fund, established for that purpose with a bank or trust company authorized by law to administer trust funds (hereinafter referred to as "trustee"), an amount not less than the procurement cost to the cemetery of the cemetery merchandise and personal property so sold. The procurement cost shall be determined and substantiated by a wholesale price list of a manufacturer or supplier of the cemetery merchandise and personal property so sold or by an itemization of the cost of manufacture of the cemetery merchandise and personal property manufactured and sold by the cemetery which cost determination, in either case, shall be verified by a Certified Public Accountant. The deposit in the trust fund shall be made not later than 45 days after the close of the month in which the final payment on the purchase price was received.

Section 2. To insure the adequacy of the trust funds for their intended purpose, the net income therefrom shall remain therein and be reinvested and compounded, except that annually, as of December 31, upon certification to the trustee by the cemetery, in the manner prescribed in Section 1, the trustee shall return to the cemetery any income of the trust fund, which when added to the original principal and accumulated income is in excess of the then requirements for the purchase of the cemetery merchandise and other personal property. Except as provided in Section 3 none of the original principal shall be returned to the cemetery even though such principal at the end of any annual period, on December 31, is in excess of the then requirements to fulfill any particular contract or portion thereof.

Section 3. Except as provided in Section 2, the funds held in trust shall remain intact until detailed certification has been made by the cemetery to the trustee of the delivery of item or items under a contract, at which time funds to cover the then cost of such items shall be delivered to the cemetery. If, after payment to the cemetery for items delivered pursuant to contract, the contract is completed but there remain funds with the trustee or there are still funds allocated to the particular item which has been delivered, in either event, such excess funds shall be delivered to the cemetery. All funds still in the trustee's hands 75 years after their receipt shall be then returned to the cemetery.

Section 4. Any monies returned to the cemetery by the trustee, either pursuant to Section 2 or Section 3, except as such may be used to reimburse the cemetery for items delivered under contract, must be used by the cemetery only for the preservation, care, maintenance and improvement of the cemetery property and its operations.

Section 5. Any trustee dealing with a cemetery may reply on the certification to it by the cemetery of the various matters of information required by this act and the trustee shall not be liable to anyone for its reliance, in good faith, upon such certifications.

Section 6. Every cemetery shall keep accurate books of account and records of all transactions concerning merchandise funds, and a copy of all agreements made in connection with merchandise funds. Such records shall be kept at least one year after the termination of the agreement which they evidence.

Section 7. The Department of Banking may at any time investigate a cemetery with respect to books of account and records concerning merchandise funds, and the books of account and records of any trustee of such funds. The Department of Banking may accept an examination of such funds if it is made by a Certified Public Accountant and a copy of the examination is furnished to it.

Section 8. If the Commissioner of Banking should determine that a cemetery is not complying with the provisions of this Act, it shall be his duty to inform the trustee of the cemetery's merchandise funds and the trustee, with respect to such cemetery's fund, shall follow the orders and direction of the Commissioner of Banking or his authorized deputy until released from further obligation by the Commissioner of Banking or his deputy.

Section 9. The provisions of this Act are separable and a Judicial finding of unconstitutionality of any section of this Act, shall not affect the sections remaining.

Section 10. Whoever violates any provision of this Act shall be guilty of a misdemeanor and upon conviction shall be fined not less than $50 or more than $500, or confined in the county jail not exceeding 3 months, or both.

HB 461, AN ACT relating to compensation of public officers and employes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 1 of Senate Bill No. 60 of the 1960 Regular Session of the General Assembly is amended to read as follows:

Section 64.640 of the Kentucky Revised Statutes is amended to read as follows:

(1) Except as otherwise provided in subsection (2) of this section, and excepting officers elected by popular vote, commissioners of the Court of Appeals, employes of the General Assembly, including employes of the Legislative Research Commission, members of boards and commissions, and presidents and employes of the University of

Kentucky and the state colleges, the Department of Personnel shall prepare a schedule of compensation, payable out of the State Treasury, with a minimum and maximum salary rate, and such intermediate salary rates as are deemed necessary or advisable, for the office or position of employment of every state officer and employe, including specifically the offices and positions of employment in every constitutional administrative department, statutory administrative department, independent agency, or other unit of state government. Such schedules shall be based upon studies of the duties and responsibilities of the offices and positions and upon a comparison with rates being paid for similar or comparable services elsewhere, and in the preparation of such schedules, the Department of Personnel shall ascertain and record the duties, responsibilities and authority pertaining to the various offices and positions in the state service, and classify such positions in the manner provided in KRS 18.010 to 18.070. No such schedule shall become effective until it has been approved by the Governor.

(2) The Governor shall set the compensation payable out of the State Treasury to each office or position in the state service hereinafter named but such compensation shall not exceed the maximum sums listed herein;

(a) Commissioner of Conservation, Commissioner of Economic Development, Commissioner of Economic Security, Commissioner of Finance, Commissioner of Fish and Wildlife Resources, Commissioner of Health, Commissioner of Highways, Commissioner of Mental Health, Commissioner of Public Relations, Commissioner of Public Safety, Commissioner of Revenue, Commissioner of Banking, Commissioner of Insurance, Commissioner of Motor Transportation, Commissioner of Personnel, Commissioner of Welfare, $12.000;

(b) Adjutant General, Administrator of Distilled Spirits Unit, Administrator of Malt Beverages Unit, Chief of the Department of Mines and Minerals, Commissioner of Aeronautics, Commissioner of Alcoholic Beverage Control, Commissioner of Industrial Relations, Director of the Kentucky Crippled Children's Commission, Executive Director of the State Tuberculosis Sanatoria Commission, Manager of the Kentucky State Fair, Reviser of Statutes, Chairman of the Public Service Commission, $10,000;

(c) Members of the Public Service Commission of Kentucky, other than the Chairman, $9,000; members of the Workmen's Compensation Board, the provisions of KRS 64.660 to the contrary notwithstanding, and heads of statutory departments and agencies other than those named in paragraphs (a) and (b) of this subsection, $7,500;

(3) The compensation payable out of the State Treasury to officers and employes subordinate to any office or position listed in subsection (2) of this section shall not exceed the maximum rate established pursuant to subsection (2) of this section for such office or position, except with respect to physicians as provided in KRS 64.655 and

employes of the Public Service Commission of Kentucky whose compensation shall be fixed, within constitutional limits, by the Department of Personnel with the approval of the Governor as provided in subsection (1) of this section.

(4) The compensation payable out of the State Treasury to any subordinate officer or employe in any department, agency, board or commission of the state government not covered by subsection (3) of this section, except elective officers, their assistants and employes, shall not exceed $7,500 per annum, provided however that Doctors of Veterinary Science may be paid not to exceed $10,000 per annum.

(5) Nothing in this section shall preclude the allowance of maintenance to officers and employes of the state.

HB 535, AN ACT relating to the registration of public health sanitarians.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act unless the context requires otherwise:

(1) "Board" means the State Board of Health;

(2) "Department" means the State Department of Health;

(3) "Registered Sanitarian" means a person trained in the field of public health sanitation who has qualified for registration in accordance with the provisions of this Act.

Section 2. (1) The department shall appoint a Sanitarian Examining Committee consisting of five members. The director of the Division of Public Health Sanitation of the State Department of Health shall be an ex officio member. The other four members shall be sanitarians who are qualified for registration under this Act. The appointed members shall serve for terms of two years and until their successors are appointed and qualify, except that when initial appointments are made under the provisions of this Act, two members' terms shall be for only one year. Thereafter all appointments shall be for a period of two years.

(2) The examining committee shall conduct, or cause to be conducted, examinations of applicants pursuant to minimum standards and qualifications established by the board. The examining committee shall act in an advisory capacity to the board in establishing such minimum standards and qualifications.

Section 3. The department upon application and payment of a $10.00 examination fee shall certify as a registered sanitarian any person who meets the qualifications prescribed by the board and who has:

(1) Passed a merit system or civil service examination given by the State or any county or municipality qualifying the applicant as a sanitarian;

(2) Passed the examination conducted or caused to be conducted by the examining committee; and

(3) Completed at least two years of active service as a sanitarian with an approved public health agency.

Section 4. Persons actively engaged in public health sanitation work for a recognized and approved public health agency in this state for a period of not less than two years prior to the effective date of this Act shall, upon furnishing adequate proof thereof to the department and upon payment of a fee of $5.00, be entitled to be registered as a registered sanitarian without examination.

Section 5. A fee of $10.00 shall accompany the application for examination. All registration certificates issued under the provisions of this Act shall expire on June 30 following the date of issue, unless renewed by the payment of a $5.00 annual renewal fee. All fees collected under the provisions of this Act shall be paid into the State Treasury and credited to a trust and agency fund to be used by the department in carrying out the provisions of this Act. No part of this fund shall revert to the General Fund of the Commonwealth.

Section 6. The department is authorized to enter into reciprocal agreements with other states having a registered sanitarian's Act, provided the qualifications of such state are at least equal to the requirements of this Act and the regulations promulgated hereunder.

Section 7. The department shall have the power to revoke the certificate of registration of any registrant for unprofessional conduct or the practice of any fraud or deceit in obtaining registration, or any gross negligence, incompetency, or misconduct in the practice of public health sanitation.

Section 8. No person not registered under the provisions of this Act shall hold himself out as a registered sanitarian nor append to his name the initials "R.S.". Any person violating this section may be fined not more than $100.00 or imprisoned not more than 6 months.

Section 9. This Act shall take effect July 1, 1960.

HB 538, AN ACT relating to bad checks.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 434.070 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who with intent to defraud makes, draws, utters or delivers any check, draft or order for the payment of money upon any bank or depository, knowing at the time of the making, drawing, uttering or delivery that the maker or drawer has not sufficient funds in or credit with the bank or other depository for the payment of the

check, draft or order in full upon its presentations; or who, after having made, drawn, uttered or delivered any check, draft or other order for the payment of money upon any bank or other depository, withdraws or causes to be withdrawn the money or any part of the money to the credit of the maker of the draft, check or other order for the payment of money, without leaving with the bank or other depository a sum sufficient to cover the check, draft or order for the payment of money, shall, if the amount of the check, draft or order is under twenty dollars, be fined not more than one hundred dollars, or imprisoned for not less than one nor more than ninety days, or both. If the amount of the check, draft or order is for twenty dollars or over, he shall be confined in the penitentiary for not less than one year nor more than two years.

(2) The making, drawing, uttering or delivering of a check, draft or order described in subsection (1) of this section shall be prima facie evidence of intent to defraud.

(3) Any person found guilty of violating the provisions of subsection (1) of this section shall be required to post bond with good and sufficient surety satisfactory to the court, in the amount of the check, draft or order to secure the repayment of said amount to the person holding and complaining of such worthless check draft or money order.

HB 261, AN ACT relating to license and excise taxes and repealing KRS 247.165.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 247.165 of the Kentucky Revised Statutes be and is hereby repealed.

HB 452, AN ACT relating to disposition of dead animals.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

(1) All dead cattle as defined in KRS 446.010 (5) shall be transported and disposed of according to the provisions of KRS 257.160 and 257.170.

(2) The Commissioner of Agriculture shall enforce the provisions of this Act.

HB 479, AN ACT relating to taxes on U-Drive-It vehicles used in the transportation of property.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 281.813 of the Kentucky Revised Statutes is amended to read as follows:

On or before January 1 of each year and as a condition precedent to the use of the highways, every carrier or motor carrier acting as a U-Drive-It shall pay to the department for the privilege of using the highways as annual excise tax upon each motor vehicle used in the transportation of property based upon the declared gross weight of the motor vehicle as set out in KRS 186.030 in addition to the basic registration fee as set out in KRS 186.050 and in lieu of the taxes imposed by KRS 186.055, as follows:

Gross Weight	Fee
0- 5000	$ 44.00
5001- 8000	60.00
8001-10000	96.00
10001-12000	104.00
12001-14000	114.00
14001-16000	124.00
16001-18000	140.00
18001-21000	202.00
21001-24000	264.00
24001-27000	322.00
27001-30000	370.00
30001-33000	416.00
33001-36000	470.00
36001-39000	544.00
39001 or over	600.00

HB 374, AN ACT relating to registration of coal trucks.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new subsection of Section 186.050 of the Kentucky Revised Statutes is created to read as follows:

Any person owning a truck with a gross weight of 50,000 pounds or less that is used solely for hauling coal within a radius of 50 miles may have it registered as a coal truck and obtain a license for $4.50 by filing with the county clerk, in addition to other information required, an affidavit stating that the truck has a gross weight of 50,000 pounds or less, that it is used for hauling coal within a radius of fifty miles, that he has caused to be printed upon each side of the bed of the truck the words "Coal Truck" in conspicuous letters not less than three inches in height, and that during the next twelve months the truck will be used only for the purpose stated.

HB 482, AN ACT relating to group life insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. There is created a new section in Chapter 304 of the Kentucky Revised Statutes to read as follows:

The lives of a group of individuals may be insured under a policy issued to a duly organized association composed of members of the medical, dental, accounting or legal professions which shall have been in existence for at least two years immediately preceding the purchase of such insurance, which association shall be deemed the policyholder, to insure members and the employes of members of such association for the benefit of persons other than the association, subject to the following requirements:

(1) The premium for the policy shall be paid by the insured members or their employes.

(2) The policy must cover at least twenty-five persons at date of issue.

(3) Unless at least twenty-five percent of all members or one thousand members, whichever is the lesser number, are insured, each member shall pass a satisfactory medical examination in order to be insured.

(4) The amount of insurance under the policy must be based upon some plan precluding individual selection.

(5) When members apply and pay for additional amounts of insurance, they may be insured for such additional amounts, if they pass a satisfactory medical examination.

Section 2. Section 1 of this Act shall be subject to the applicable provisions of KRS 304.838 to KRS 304.865.

SB 219, AN ACT relating to condemnation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) Whenever the fiscal court of any county deems it to be in the best interest of the county to acquire additional land adjacent to an existing county road to provide for future widening and improvement of said road, and the fiscal court is unable to contract with the owners of the land required for such purposes for its purchase or to acquire the same by gift, the land may be condemned under the provisions set forth in KRS 416.110 or KRS 416.115.

(2) The resolution authorizing condemnation shall set forth the facts of the proposed acquisition, including a description of the land sought to be acquired, which description may be stated in widths from the existing centerline of the road proposed to be improved. In condemnation for future improvement under this section it shall not be necessary for the county to have completed plans for actual construction; provided, the property owner is furnished with an accurate description of the property sought to be condemned. The right of

way thus obtained shall be for reasonably foreseeable future construction and improvement in conformity with the existing grade of said road and with free access to adjacent property.

HB 509, AN ACT relating to Metropolitan Sewer Districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 76.260 of the Kentucky Revised Statutes is amended to read as follows:

(1) When any drainage improvement has been authorized by the board of a metropolitan sewer district and has been approved by all necessary approving agencies, and all objections have been determined, the metropolitan sewer district shall classify the land in the designated area with reference to the benefit it will receive from construction of the improvement. In making such classification the metropolitan sewer district shall consider the impervious condition of the surface of the land, the drainage facilities previously installed and other facts and benefits from feasible uses of the land. All land within the designated area shall be presumed to receive some benefit. The land benefited, other than impervious areas, may be separated into three classes for purposes of apportioning and assessing the cost of the improvement. The land receiving the highest benefit shall be marked "Class A"; that receiving the next highest benefit, "Class B"; that receiving the least benefit, "Class C." The scale of assessment shall be in the ratio of three, two, and one.

Impervious areas shall be classed as "Class AA," and may be assessed at a higher rate than property in "Class A," computed in accordance with established engineering standards, but not greater than double the assessment established for "Class A" land.

(2) After a metropolitan sewer district has made a classification of the property within any area in which a drainage improvement has been approved, said metropolitan sewer district shall prepare benefit rolls for inspection by interested persons and keep same available in said district's offices.

Said metropolitan sewer district shall then cause notices of the preparation and existence of the benefit rolls to be published three times in a newspaper of general circulation in the territory designated, and cause notices of same to be posted in three public places in said territory. Any owners of property in the designated territory shall have ten days from the date of publication of the third newspaper notice within which to file written objections to the classification. If any such objections are filed, the metropolitan sewer district shall hold hearings thereon promptly, after notice to the person filing objections, and pass upon said objections as promptly as practicable.

Section 2. A new section is created in Chapter 76 of the Kentucky Revised Statutes to follow KRS 76.265 to read as follows:

(1) As such time as bids have been received for the work to be performed on such improvement, the secretary-treasurer of the district shall notify each property owner by mail as to the expected cost of the improvement, based upon the lowest bid received from a qualified bidder, and upon the other known costs included under KRS 76.250, and as to the total acreage in each class.

(2) Any person or persons whose property is subject to the assessment shall have fifteen days from the mailing of such notices within which to file in the county court of the county in which the metropolitan sewer district is located, an objection or objections to the cost of the project.

(3) The court shall hear in a summary way any objections to the cost of the improvement and to the assessment of the land for the work to be done under said contract and enter an order confirming the assessment roll or directing the board of the metropolitan sewer district to change it in accordance with the findings of the court. No question or objection that could have been raised with reference to the establishment of the drainage district or the classification of land can be raised by exceptions to the assessment roll or statement of costs. The order of the court shall be final and may be appealed from in the same manner as from orders approving the organization of the district or the classification of land.

Section 3. Section 76.270 of the Kentucky Revised Statutes is amended to read as follows:

(1) Upon completion of construction, the cost of any drainage improvement shall be apportioned to the land in the designated area upon the basis of the benefits for real estate in each classes on an area basis in each classification. Areas shall be determined to the nearest quarter acre, with the minimum assessment for a quarter acre. The apportionment for each property owner shall be computed by the metropolitan sewer district.

(2) The secretary-treasurer of a metropolitan sewer district shall notify each property owner by mail as to the amount of the assessment against him for any improvement constructed or on which a bid or bids for construction have been let under the provisions of KRS 76.240 to 76.280. Any property-owner may pay to the metropolitan sewer district his assessment in full at any time within thirty days from the date of the mailing of notice of the assessment. Every person who fails to pay the full amount of his assessment to such metropolitan sewer district within thirty days shall be deemed to consent to the issuance of apportionment warrants against him and his property, unless the total assessment against such property is less than $50.00.

Each property-owner must pay within thirty days from date of mailing of notice, the full amount of his assessment if it does not exceed $50.00, and at least $50.00 on any assessment that exceeds that sum. Each property owner who fails to pay the full amount of the assessment within thirty days, shall be deemed to consent to the issuance of apportionment warrants against his property and him, for the amount due, after deducting the $50.00 due then and any additional sum paid within the thirty days.

If an assessment of $50.00 or less, or the first $50.00 of any larger assessment, against any property within the designated area, remains unpaid at the end of thirty days from the date of the notice, it shall be certified on a statement prepared by the secretary-treasurer of the metropolitan sewer district making the assessment to the sheriff of the county to be collected by him with the annual bill for county taxes, together with interest at six percent per annum from the 31st day after date of the notice until paid.

A penalty of ten percent of the amount of the first $50.00 of the assessment shall be assessed against each person not paying said assessment of $50.00 or less or part of an assessment within thirty days, and out of said penalty, payment shall be made for the services in collecting said assessments, to the sheriff or to the metropolitan sewer district if such collection is made before the past due assessment is certified to the sheriff.

Section 4. Section 76.275 of the Kentucky Revised Statutes is amended to read as follows:

(1) The secretary-treasurer of a metropolitan sewer district shall make out all apportionment warrants for the costs of construction of such drainage projects and deliver same to the contractor, dating them at the expiration of the thirty-day period for payment, for the unpaid part of the contract price. Such apportionment warrants shall bear interest at the rate of six percent per annum, and shall be payable in equal annual installments, as provided in the ordinance, with privilege of paying off the unpaid balance at any time with interest to date of payment. The metropolitan sewer district shall maintain a register of outstanding warrants.

(2) The warrants for the excess over $50.00 shall be issued against the specific property assessed and the owner or owners thereof.

(a) A warrant for the excess over $50.00, or any greater sum paid in cash, shall be payable in not exceeding nine installments (the number to be fixed by the Ordinance). The installment payments shall be equal in amount except that the minimum amount to be paid or any installment except the last, shall be ten dollars, and the warrant shall be fully paid when the interest has been paid and payments on principal equal the face of the warrant.

(b) A single warrant shall be issued to the contractor and signed by the metropolitan sewer district to cover the assessment of less than $50.00, and the first $50.00 of larger assessments, which are not paid within thirty days from the date of notice of such assessment. This warrant shall be payable only from sums collected by the metropolitan sewer district directly or through the sheriff of the county from the owners of property who have not paid their assessments of $50.00 or less, or the $50.00 on larger assessments.

Section 5. Section 76.280 of the Kentucky Revised Statutes is amended to read as follows:

(1) Following the completion of any drainage improvement under the provisions of KRS 76.240 to 76.280, it shall be the duty of the district to keep and maintain all such improvements open, free from obstruction and in good repair and to make minor improvements thereto, and, for the purpose of providing funds to pay for such maintenance and minor improvements, the district may, from time to time, make additional assessments against the land in the designated area.

Any particular tract or tracts of land may be reclassified on the basis of a change in imperviousness or other physical condition or additional feasible uses of the land, but no tract shall be reclassified oftener than once in three years.

All such assessments shall be made in proportion to the classification as then in effect. No such assessment shall exceed ten percent of the original assessment against any parcel of land, except for any proportional change by reason of reclassification. Not more than one assessment shall be made in any one fiscal year of the metropolitan sewer district.

Such assessments shall be recorded and collected in the same manner as herein provided for collection of the original assessment, except that such assessments shall be payable in full within thirty days following the sending of notice thereof. If not paid within thirty days, such assessments shall be subject to a ten percent penalty and shall bear interest at the rate of six percent per annum until paid.

(2) If such assessment against any property remains unpaid at the end of thirty days from the date of notice, it shall be certified to the sheriff of the county to be collected by him with the annual bill for county taxes, together with interest and penalty as provided above.

From the Funds collected as penalties, payment shall be made for services in collecting such assessments, to the sheriff, or to the metropolitan sewer district if such collection is made before the past-due assessment is certified to the sheriff.

(3) All drainage assessments provided for in this chapter, together with the interest thereon, any penalties for default in payment thereof, and all costs of collection shall, from the date of the filing of the classification rolls in the office of the county clerk until paid, constitute a lien against the land assessed superior to all other liens except the liens for state, county, city, school and road taxes.

Section 6. A new section is created in Chapter 76 of the Kentucky Revised Statutes to read as follows:

After a drainage improvement has been authorized for a designated area and on assessment made, further proceedings may be taken for additional improvements within any section of the designated area through the same procedure as specified in KRS 76.240 to 76.280. In order to institute such additional improvement within the designated area it must appear that the original improvement project did not relieve sufficiently the drainage conditions within such section. The additional benefit accruing by reason of such improvement in a section of the previous project, shall not be a ground for reclassification of benefits for maintenance under the original project.

HB 480, AN ACT relating to motor vehicle license plates.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. There is created a new section in Chapter 186 of the Kentucky Revised Statutes to read as follows:

(1) The commissioner may issue special number plates to applicants therefor in the same manner as other number plates are issued pursuant to this chapter. Application for special number plates shall be made in accordance with regulations promulgated by the commissioner with respect to issuance of such number plates.

(2) Special number plates shall be issued only upon payment of a service charge of five dollars in addition to the regular fee prescribed in this chapter. The service charge shall apply to renewals of registrations for which special number plates have been issued.

(3) For purposes of this section a special number plate shall be a plate which contains not more than six letters, numerals or combination thereof, and which is reserved by the commissioner for issuance in accordance with the provisions of this section.

HB 161, AN ACT relating to state aid for the construction, reconstruction, improvement and maintenance of county roads located within suburbs and making an appropriation therefor.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, "suburb" means those residential regions adjacent to, but outside of any city.

Section 2. The Department of Highways shall allocate the sum appropriated by this Act for the construction, reconstruction, improvement and maintenance of county roads within the suburbs located in a county as follows:

(1) One-third of the sum appropriated shall be apportioned equally between the various counties.

(2) Two-thirds of the sum appropriated shall be apportioned among those counties containing cities of the first five classes on the basis of the ratio which the rural population of each such county bears to the total rural population of the state.

Section 3. The Department of Highways, at the close of each quarter of the current fiscal year, or as soon thereafter as practicable, shall furnish to the fiscal courts of those counties in which suburbs are located, a statement showing the total amount of all disbursements, the unliquidated and unincumbered balances of the funds allocated to the respective counties for that fiscal year.

Section 4. The funds apportioned to counties under Section 1 of this Act shall be expended for the construction, reconstruction, improvement and maintenance of county roads within suburbs located in the county by the Department of Highways in accordance with previously agreed plans prepared jointly by the fiscal courts of said counties and the Department of Highways, or prepared by one or the other and jointly approved. The plan shall take into consideration the mileage of county roads in suburbs located within said county, the condition and need of such roads and the manner in which the funds shall be expended for the fiscal year to which the agreement applies.

Section 5. To carry out the provisions of this Act, there is hereby appropriated out of the State Road Fund to the Department of Highways, the sum of $2,500,000 for each of the fiscal years 1958-59 and 1959-60. However, any portion of the sum appropriated for the fiscal year 1958-59 not apportioned shall not lapse, but shall be added to the sum appropriated for the fiscal year 1959-60.

HB 541, AN ACT relating to the covering or filling of cisterns, wells or other man-made excavations of the same nature.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. All abandoned or unused cisterns, wells or other man-made excavations of the same nature shall be filled or covered by the owner of the land on which they are located so that they shall not create a hazard to the safety of persons passing near them.

Section 2. Any one found in violation of Section 1 of this Act shall be fined not more than one hundred dollars.

HB 512, AN ACT relating to publication of legal notices.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Any official of the state or any of its political subdivisions who is required by law to publish any notice required by law may make such publication thereof by radio broadcast when, in his judgment, the public interest will be served thereby; Provided, that such notice is restricted to broadcasts not to exceed in total number the number of publications now required by law for newspaper publications of the same; Provided further, that the time, place and nature of such notice only be read with no reference to any person by name then a candidate for political office, and that such broadcasts shall be made only by duly employed personnel of the station from which such broadcasts emanate, and that broadcasts by political subdivisions may be made by stations situated within the county or origin of the legal notice; Provided further, that such notice is restricted to broadcasts emanating between the hours of 9:00 a.m. and 9:00 p.m.

Section 2. Each radio station broadcasting any legal notice or notice of event shall, for a period of one year subsequent to such broadcast, retain at its office a copy or recorded text of the notice as actually broadcast which shall be available for public inspection.

Section 3. Proof of publication of legal notice or notice of event by radio broadcast shall be by affidavit of the manager, or assistant manager, or a program director of the radio station broadcasting the same.

Section 4. (1) For the publication of all legal notices or advertisements required by law or the order of any court of record in this state to be broadcast pursuant to the provisions of this act, the broadcaster thereof shall be entitled to receive three cents for each word of said announcement, for the first announcement, and two cents per word for each subsequent announcement.

(2) The clerk of any court in this state or any public trustee or county treasurer or other public official required by law to publish legal notices or advertisements, shall tax the costs of broadcasting such notices or advertisements, as prescribed in this section, as part of the costs of such cause on proceeding, and shall collect for such broadcast before such cause or proceeding is closed, and shall remit to the broadcaster the proper costs of such legal notices or advertisements.

SB 203, AN ACT relating to the architectural profession.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 323.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in this chapter, unless the context requires otherwise:

(1) "Board" means the State Board of Examiners and Registration of Architects of Kentucky;

(2) An "architect" is a natural person proficient in the art of planning, designing, specifying, supervising and administering the construction of buildings and who is licensed to practice architecture;

(3) The "practice of architecture" consists of performing or offering to perform any professional service involving consultations, planning, designing, specifying, responsible supervision or administration of the construction of any building or additions or alterations thereto;

(4) A "building" is a structure erected as a shelter for human beings, their activities and possessions.

Section 2. Section 323.020 of the Kentucky Revised Statutes is amended to read as follows:

Except as otherwise provided hereinafter, no person shall practice architecture in the Commonwealth of Kentucky without first obtaining a license under the provisions of this chapter, it being the purpose of this chapter to safeguard the life, health, property and welfare of the public.

Section 3. Section 323.030 of the Kentucky Revised Statutes is amended to read as follows:

(1) A non-resident licensed to practice architecture in his own state or country but not in the Commonwealth and having no established place of business in the Commonwealth may act solely as a consulting associate of an architect licensed in the Commonwealth.

(2) An architect acting solely as an officer or employe of the United States Government is not required to be licensed in the Commonwealth.

(3) A licensed professional engineer may prepare plans and specifications for and supervise the construction of structures as an incident to the practice of his own profession.

(4) If the drawings and specifications are signed by the authors thereof with the true titles of their occupations as may be required by law, this chapter does not apply to:

(a) any building which is to be used for farm purposes only;

(b) any building containing not more than 20,000 square feet total floor area, except:

1. an asylum, hospital, nursing or convalescent home, or home for the aged, regardless of capacity;

2. a school or educational institution, regardless of capacity;

3. a residential building containing more than twelve bedrooms;

4. a place of assembly, regardless of capacity;

5. a mercantile building having a capacity in excess of one hundred persons;

6. an industrial building having a capacity in excess of one hundred persons; and

7. an office building having a capacity in excess of one hundred persons;

(c) alterations to any building to which this chapter does not apply, if the alterations do not involve changes affecting structural safety.

Section 4. Section 323.050 of the Kentucky Revised Statutes is amended to read as follows:

(1) To obtain a license to practice architecture in Kentucky an applicant must satisfactorily pass an examination as prescribed by the board, except as otherwise provided in this chapter.

(2) Every applicant for examination shall fulfill the following requirements:

(a) must be of good moral character; and

(b) must be a citizen of the United States of America and at least twenty-five years of age; and either

(c) must be a graduate of an accredited school of architecture with at least three years' additional architectural experience satisfactory to the board; or

(d) must be a graduate of an accredited high school or have had education equivalent thereto as determined by the board, and, in addition, at least five years' varied architectural experience satisfactory to the board.

(3) Examinations shall be given at least semi-annually, the time and place to be established by the board.

Section 5. Section 323.060 of the Kentucky Revised Statutes is amended to read as follows:

Any person who is a licensed architect in another state or country where the qualifications prescribed at the time of licensing were, in the opinion of the board, equal to those prescribed in the Commonwealth at the date of application, and where reciprocal licensing privileges satisfactory to the board are granted to licensees of the Commonwealth, may be granted a license without an examination.

Section 6. Section 323.080 of the Kentucky Revised Statutes is amended to read as follows:

(1) Fees for the following services shall be established by the rules of the board, and in no case shall they exceed the following schedule:

(a) for an examination	$50 00
(b) for a license certificate	25.00
(c) for the restoration of an expired license	25.00
(d) for a license to an architect satisfactorily licensed in another state or country	50.00

(2) The proper fee as prescribed above shall be paid to the board, and shall not be refunded in whole or in part.

Section 7. Section 323.090 of the Kentucky Revised Statutes is amended to read as follows:

Any applicant who fails to pass an examination may, without paying an additional fee, enter any subsequent examination held within three years from the date of the examination he failed to pass.

Section 8. A new section of Chapter 323 of the Kentucky Revised Statutes is created to read as follows:

(1) Each architect licensed for practice within the Commonwealth shall secure an embossed circular seal of the design prescribed by regulation of the board.

(2) All working drawings, specifications and reports prepared by, or under the supervision of the individual, partnership or firm, must bear the imprint of this seal.

(3) No architect shall sign or affix his seal to any drawings, specifications or reports which have not been prepared under his immediate supervision.

Section 9. Section 323.110 of the Kentucky Revised Statutes is amended to read as follows:

(1) (a) All architects desiring to continue practice shall annually, prior to July 1, secure from the board a renewal certificate upon the payment of a fee of not more than fifteen dollars. Not later than June 15 of each year the board shall notify by mail all architects of the renewal date and fee. Application for a renewal shall be upon such form as is prescribed by the board and the architect shall furnish the information required by such form.

(b) Failure of any architect to secure his renewal certificate within sixty days after July 1 shall constitute sufficient cause for the board to revoke his license.

(c) The board may restore a license that has been revoked for failure to pay the renewal fee, after one year from the date of revocation and upon the payment of all delinquent fees.

(2) A licensed architect may voluntarily surrender his license to the board and thereby be relieved of the annual renewal fee. After surrendering his license, he shall not be known as a licensed architect and shall desist from the practice thereof. Within five years from the time or surrender of the license he may again qualify for a license without examination by the payment of the required fee. If five years thereafter have elapsed, he shall return to the status of a new applicant.

Section 10. Section 323.120 of the Kentucky Revised Statutes is amended to read as follows:

(1) The board may refuse to renew or may suspend or revoke the license of any architect to practice architecture in the Commonwealth of Kentucky for any of the following reasons:

(a) gross incompetency or gross negligence in the planning or construction of buildings, as determined by the board;

(b) unprofessional conduct, or conduct tending to bring the profession into disrepute, as determined by the board;

(c) conviction of a felony;

(d) fraudulent or dishonest architectural practice;

(e) use of false evidence or misrepresentations in an application for licensing;

(f) signing or affixing his seal to any plans, prints, specifications of buildings, or reports, which have not been prepared by him personally or by his employes under his supervision.

(2) The board shall revoke the license of an architect who practices architecture while his license is suspended.

Section 11. Section 323.130 of the Kentucky Revised Statutes is amended to read as follows:

(1) No license shall be revoked or suspended without a hearing. The board may proceed against a licensee on its own initiative, on the basis of either information contained in its own records or information obtained through its informal investigation. When a formal complaint verified by affidavit is filed with the board by a responsible citizen or organization, containing allegations that if true would warrant suspension or revocation of a license, the board shall proceed against the licensee within three months.

(2) A written notice stating grounds for possible suspension or revocation of the license, setting forth with responsible particularity the facts constituting the alleged offense and the time and place of the hearing before the board on the charges, shall be served on the accused not less than twenty days prior to the date of the hearing either personally or by mailing a copy thereof by registered mail to the address of the accused last known to the board.

Section 12. Section 323.140 of the Kentucky Revised Statutes is amended to read as follows:

(1) The board, or any member thereof, may issue subpoenas to compel the attendance of witnesses and the production of documents, and may administer oaths, take testimony, hear proof and receive exhibits in evidence. In case of disobedience to a subpoena the board may invoke the aid of the Franklin Circuit Court. Any order or subpoena of such court requiring the attendance and testimony of witnesses and the production of documentary evidence may be enforced and shall be valid anywhere in this state.

(2) At any hearing the accused may appear in person or by counsel, produce evidence and witnesses on his own behalf, cross-examine witnesses, and examine such evidence and documents as may be produced against him. The accused shall be entitled, on application to the board, to the issuance of subpoenas to compel the attendance of witnesses on his behalf. The board may also be represented by counsel.

(3) The board shall not be bound by technical rules of evidence, but the order of the board shall be based on competent evidence.

(4) A stenographic record of the proceedings shall be kept, but it shall not be necessary to transcribe shorthand notes unless an appeal is taken from the order.

(5) The board's order shall be in writing and shall be accompanied by findings of fact and conclusions of law.

(6) A copy of an order suspending or revoking a license shall be served upon the licensee by registered mail immediately upon entry by the board. Any license that is suspended or revoked shall be surrendered to the board accompanied by the licensee's certificate.

Section 13. A new section of chapter 323 of the Kentucky Revised Statutes is created to read as follows:

(1) Any person whose license is revoked by the board may appeal from the order of revocation by filing in the Franklin Circuit Court a petition for appeal and a copy of the order of the board within 60 days of the date of entry of the order. He shall make bond for costs. The petition for appeal shall set forth with particularity the grounds upon which the appeal is taken. The licensee shall cause a copy of the petition for appeal to be served upon the secretary of the board.

(2) Within 30 days after service of notice of appeal, or within such further time as the court may allow, the board shall file in the Franklin Circuit Court the original or a certified copy of the entire record of the proceedings under review; but, by stipulation of the parties the record may be shortened.

(3) The filing of the petition for appeal shall not stay enforcement of the order; but upon motion of appellant the Franklin Circuit Court, in its discretion, may order a stay pending decision of the appeal. If the time for renewal of the license occurs during a stay of enforcement, the board shall grant a renewal upon application properly made and payment of the usual fees.

4) The Franklin Circuit Court shall set the case for hearing without a jury and dispose of the appeal in a summary manner, being confined to the record made before the board except that new evidence may be introduced as to fraud. The court may hear oral arguments and receive written briefs. The court may affirm or set aside the board's order, or may remand the case to the board for further evidence, but shall be limited in making its decision to determining whether or not:

(a) there is any substantial evidence to support the order; or
(b) the board acted without or in excess of its powers; or
(c) the order appealed from was procured by fraud.

(5) Any aggrieved party may secure a review of an adverse judgment of the Franklin Circuit Court under this Act by appeal to the Court of Appeals. Such appeal shall be taken in the manner provided in the Rules of Civil Procedure.

Section 14. Section 323.150 of the Kentucky Revised Statutes is amended to read as follows:

The board shall consist of five members, four of whom shall be appointed by the Governor. The fifth member of the board shall be the Dean of the College of Engineering of the University of Kentucky. But if at any time a five-year professional curriculum of architecture is established in the Commonwealth of Kentucky, the head of such curriculum shall replace the Dean of the College of Engineering of the University of Kentucky as a member of the board.

Section 15. Section 323.170 of the Kentucky Revised Statutes is amended to read as follows:

All members of the board appointed by the Governor shall be architects registered in the Commonwealth of Kentucky and shall have been in the active practice of architecture for at least ten years immediately preceding their appointment, and shall have been residents of this Commonwealth for at least five years immediately preceding their appointment.

Section 16. Section 323.180 of the Kentucky Revised Statutes is amended to read as follows:

The board, at the first meeting of each fiscal year, shall elect a president, secretary and treasurer. The offices of secretary and treasurer may be held by the same person.

Section 17. Section 323.190 of the Kentucky Revised Statutes is amended to read as follows:

Each member of the board shall receive an amount not to exceed twenty-five dollars for each day or part thereof spent in the performance of his official duties, including time spent in necessary travel, and in addition, shall be reimbursed for all proper traveling and incidental expenses incurred in connection with said duties.

Section 18. Section 323.200 of the Kentucky Revised Statutes is amended to read as follows:

A quorum of the board shall consist of at least three members. The concurring votes of three members shall be considered as the action of the board, except in the case of revoking a license, in which case, the unanimous vote of the board shall be required.

Section 19. Section 323.210 of the Kentucky Revised Statutes is amended to read as follows:

(1) The board shall:

(a) adopt and provide itself with a seal with a band inscribed, "State Board of Examiners and Registration of Architects of Kentucky" with the coat of arms of the state in the center;

(b) make all necessary regulations concerning the contents and conduct of examinations, the method and time for filing applications for examinations and the time within which an applicant shall be examined after his application has been filed;

(c) keep a complete record of its proceedings and an accurate list of all applications made, licenses issued and licenses revoked; and

(d) make a general report including finances to the Governor annually.

(2) The board may adopt all reasonable regulations not inconsistent with this chapter that are necessary to carry into effect the purposes of this chapter.

Section 20. Section 323.230 of the Kentucky Revised Statutes is amended to read as follows:

Only persons licensed under this chapter may be styled or known as architects in Kentucky, or use any words or letters or assume any titles or description tending to convey the impression that they are architects.

Section 21. A new section of chapter 323 of the Kentucky Revised Statutes is created to read as follows:

Whenever in the judgment of the board any person has engaged, or is about to engage, in any acts or practices that constitute, or will constitute, a violation of KRS 323.020, the board may inform the Attorney General, who may make application to the Franklin Circuit Court for an order enjoining such acts or practices, or the board may inform the Commonwealth's Attorney of the county in which the acts or practices are occurring or will occur who may make application to the circuit court of that county for an order enjoining such acts or practices. Upon a showing by the board that such person has engaged, or is about to engage, in any such acts or practices, an injunction, restraining order, or such other order as may be appropriate shall be granted by such court. Any order of the Franklin Circuit Court shall be enforceable and shall be valid anywhere in this state and the order of either court shall be reviewable as provided in the Rules of Civil Procedure in the case of other injunctions and restraining orders.

Section 22. Section 323.990 of the Kentucky Revised Statutes is amended to read as follows:

Any person who violates any provision of this chapter shall be fined not less than one hundred dollars nor more than five hundred dollars, or imprisoned not more than three months, or both.

Section 23. Sections 323.040, 323.070, 323.220 and 323.240 of the Kentucky Revised Statutes are repealed.

HB 136, AN ACT relating to payment of expenses to sheriffs for certain duties.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 70.170 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each sheriff performing the duties required under the provisions of KRS 70.150 and 70.160 shall be allowed an amount not

exceeding $2400 annually for such services. The exact amount shall be determined at the rate of ten cents per mile for the mileage actually travelled, such mileage to be determined by the Department of Finance from affidavits and other proof required to be submitted, and shall be paid out of the State Treasury.

(2) The allowance authorized in subsection (1) of this section shall be considered as operating expenses of the sheriff's office and shall not be considered as part of his compensation.

HB 545, AN ACT amending Section 212.720, Kentucky Revised Statutes, relating to local public health.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 212.720 of the Kentucky Revised Statutes is amended to read as follows:

Upon request of any county or city-county board of health, the fiscal court of the county shall adopt a resolution submitting to the qualified voters of the county, the question as to whether a public health taxing district shall be established for the county. A certified copy of the order of the fiscal court shall be filed with the county clerk at least forty-five days prior to the next regular election and thereupon the county clerk shall cause the question to be placed upon the ballot. The question shall be in the following form: "Are you in favor of establishing a public health taxing district for (insert name of county here) county which shall have the authority to impose a special ad valorem tax for the maintenance and operation of the (insert the name of county or city-county) health department, including hospitals or other operational facilities under the jurisdiction thereof, provided that such special tax shall not exceed (insert amount) cents on each one hundred dollars of the assessed valuation of all property in the district?" If a majority of those voting on the question favor the establishment of a public health taxing district for the county it shall be so established and shall constitute and be a taxing district within the meaning of Section 157 of the Constitution of Kentucky. The members of the county of city-county board of health shall, by virtue of their office, constitute and be the governing body of the public health taxing district and shall perform the duties attendant thereto in addition to their duties as members of the county or city-county board of health. The officers of the county or city-county board of health shall be the officers of the public health taxing district.

SB 257, AN ACT relating to urban renewal and redevelopment.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 99.420 of the Kentucky Revised Statutes is amended to read as follows:

Whenever in the opinion of the agency, land or other property, right of way or easement over or through any property is needed by the agency in order to accomplish the purpose or purposes of KRS 99.330 to 99.510, it may by resolution authorize the purchase or condemnation in the name of the agency, of said land or other property, or right of way or easement necessary for such purpose, and may proceed to condemn and acquire such property in the following manner:

(1) The proceedings for condemnation shall be in the circuit court in which the property sought to be condemned, or the greater part thereof, lies. The proceeding shall be in the name of the agency. Proceedings shall be commenced by filing a complaint against all persons having an interest in the property, describing the property, right of way (if any) or easement (if any) sought to be condemned, and which complaint shall include a request for the court, or a judge thereof if the court is in vacation, to appoint commissioners to assess the value which the owners thereof may be entitled to receive. The owners of two or more different properties sought to be condemned for the same purpose may be joined and proceeded against in a single action, but the lands and properties of each shall be separately described.

(2) Upon the filing of the complaint, the Circuit Court, or a judge thereof, shall, in writing, forthwith appoint three disinterested, impartial citizens and residents of the county, who shall be sworn by the Court, a judge thereof, or by any person authorized to administer oaths, to faithfully, fairly and impartially discharge their duties. The order appointing the commissioners shall be filed in the office of the Clerk of the Circuit Court immediately upon its signing, and shall become part of the proceedings as of the date filed. In the event any person so appointed fails, refuses or becomes incapable of acting, the court, or judge thereof, shall forthwith appoint a qualified person to fill the vacancy. A majority of the commissioners appointed and qualified shall have the power to act and to make and sign the award and report.

(3) The commissioners shall immediately upon their appointment take the oath of office, and shall enter in and upon the property, right of way (if any) or easement (if any) sought to be condemned, and shall view same. They may hear evidence or make any inquiry they desire touching the value thereof. They shall award to the owner or owners of each parcel of land and property the value thereof. Property owned by the same owner or owners, which is contiguous and adjacent may be considered as one parcel and may be included by the commissioners under a single award. If less than an entire parcel of contiguous property belonging to the same owner or owners is sought to be condemned, the commissioners shall also award to said owner or owners any incidental damages, if any, resulting to his or their remaining adjacent or contiguous land, considering the purpose and purposes for which

it is taken, but they shall deduct from the incidental damages, if any, the value of any advantages and benefits that will accrue to such remaining adjacent and contiguous land from the proper use of the property, right of way (if any) or easement (if any) for the purposes or uses intended. The award of the commissioners shall promptly be filed by them, in writing, in the office of the Circuit Clerk, and shall be styled "Report and Award of Commissioners."

(4) Immediately upon the filing of the report and award of the commissioners, the Clerk of the Circuit Court shall cause summons and process to issue against the defendants. The summons shall have attached to it a copy of the report and award of the commissioners and shall be issued in the same form and in the same manner as provided for upon the filing of a complaint under the Rules of Civil Procedure, provided that said summons shall also contain the notification that exceptions to the report and award of the commissioners must be filed within the same period of time as required for appearance and defense of the complaint. The action and proceedings shall be carried on as nearly as may be as ordinary civil actions at law are conducted. Non-residents and persons under disability shall be proceeded against as provided by the Rules of Civil Procedure. Defenses and exceptions for non-residents and persons under disability may be made and filed by any person authorized to make defense for such persons under the Rules of Civil Procedure.

(5) Any answer or other pleading filed by any defendant in response to the summons shall be confined solely to the question of the right of the agency to condemn the property sought to be condemned, but without prejudice to the right of the defendant, then and thereafter, within proper time, to file exceptions to the amount of compensation awarded in the report and award of the commissioners. Any issue raised in the answer or other pleading filed, putting in issue the right of the agency to condemn the property shall be promptly heard and decided by the court, without a jury. If the Court finds the agency has no right to take the property in condemnation for the purpose or uses sought, it shall dismiss the complaint at the costs of the agency.

(6) If answer or other pleading is timely filed putting in issue the right of the agency to condemn the property, the time for filing exceptions to the report and award of commissioners shall automatically be extended to a time not later than ten (10) days after the decision by the Court of said issue, and if the court decides that the agency does have the right to take the property in condemnation for the purposes or uses sought, it shall be the duty of the defendants to file exceptions, should they desire so to do, to the report and award of commissioners within said ten days, if same has not theretofore been filed. If the defendants do not file an answer or pleading putting in issue the right of the agency to condemn the property, or having filed same is not sustained by the Court, and, in either event, if the agency and the defendants do not file exceptions to the report and award of commis-

sioners within the time provided, then the amount of the award set forth in the report and award of commissioners shall become final and not subject to exception or review and shall become and be entered as the judgment of the Court setting and fixing the value of the land to be taken, and incidental damages to the remainder, if any. The agency shall have twenty (20) days from the filing of the report and award of commissioners to file its exceptions, should it desire so to do, unless answer or other pleading be filed by defendants, in which event the agency shall have ten (10) days after the decision by the court on the issue raised by the answer or repleading to file its exceptions. If exceptions are based on the ground that the award of the commissioners is too small or too great, the exceptions must be accompanied by an affidavit of the party excepting, his agent or attorney, stating the amount of the award and damages, if any, the party believes is just and reasonable. For the purpose of appeal, the difference between the amount awarded by the commissioners and the amount the excepting party claims would be just and reasonable shall be the amount in controversy.

(7) If timely exceptions to the report and award of commissioners be filed by any of the parties, the matter of the value of the property sought to be condemned shall forthwith be submitted to a jury to determine and assess value and damage, if any, and the case shall be advanced and have preference over other common law cases on the docket. In assessing value and damages, if any, the report and award of the commissioners shall not be permitted to be introduced or become substantive evidence in the case for the consideration of the jury, but nothing shall prevent the commissioners from testifying, subject to the same rules as apply to other witnesses, in which event either party may question the commissioners concerning their report and award. Upon request of any of the parties, the court may, in its discretion, send the jury to view the premises, except that if the property be taken under Interlocutory Judgment, as hereinafter provided, the jury's right to view shall be limited and restricted to the land only, if the buildings and appurtenances thereon and thereto have been removed or substantially altered and changed, and the court shall so instruct the jury. Jurors shall have the same qualifications as jurors in civil cases. They may or may not be residents of the city or governmental division in which the land, or the greater portion thereof, lies, but shall be residents of the County wherein same, or the greater portion thereof, lies. A unanimous verdict of all jurors shall be required, but only the foreman of the jury need sign the verdict.

(8) Upon final determination of all issues raised either by answer or other pleading, or by exceptions to the report and award of commissioners, or if no answer, pleadings or exceptions be filed by any of the parties, the Court shall forthwith enter a Judgment, which shall be a Final Judgment, and shall make such orders as may be necessary and proper for the conveyance of such land, property and rights, if

any, to the agency, upon the payment into Court through the Clerk of the Circuit Court by the agency of the amount set forth in the said judgment of the court, vesting in the agency absolute fee simple title to said land, property and rights, if any, and as described in the complaint, or any supplement or amendment thereof. In the event the owners fail, refuse or are unable to convey to the agency full and complete fee simple title to said land, property and rights, free, clear and unencumbered, the court shall thereupon cause the commissioner of its court, or a special commissioner appointed by the court for that purpose, to execute and deliver to the agency a deed of conveyance therefor, which deed of conveyance shall be executed as nearly as practicable in accordance with the rules governing the conveyance of property by commissioners when sold under order of court, including all the right, title and interest which the defendants and each of them had, or may have had therein; provided, however, that the agency, if it has not taken same under Interlocutory Judgment, may abandon its right to take said land, property and rights, if any, and same shall be deemed abandoned by it in the event it does not pay into court within sixty (60) days from the date of the entering of the final judgment, the amount set forth therein as the amount to be paid by the agency for the taking thereof. The bond provided for by Rule 4.11 of the Rules of Civil Procedure shall not apply and be required of the agency in any action for condemnation brought hereunder.

(9) Notwithstanding any other provision of this section, the agency may, prior to the entering of a final judgment, and at any time after the report and award of commissioners is filed in the circuit court, and notwithstanding exceptions have been or may be filed, file a demand for an Interlocutory Judgment. Copy of said demand shall be served upon defendants or their attorney or the person authorized to make defense for any non-resident or person under disability, at least ten (10) days prior to presentment to the Court, or a judge thereof, the demand for an Interlocutory Judgment, in the manner provided by Rule 5 of the Rules of Civil Procedure. The Court, or judge thereof, shall thereupon enter an Interlocutory Judgment granting and awarding to the agency immediate possession and full and complete use and control of the land and property sought to be condemned, and the agency shall thereupon be entitled to take possession thereof and to use and control same, including the right to remove, demolish, raze and do away with all buildings, structures and appurtenances thereon or thereto belonging, without let, hindrance, interruption or interference by the defendants, or anyone claiming under them, as fully as if title had been conveyed to it, and the Court, or judge thereof, shall enforce same by appropriate order and proceedings; provided, however, that before any Interlocutory Judgment is entered, the agency shall pay into the Court, by depositing with the Clerk of the Circuit Court, the amount contained and set forth in the report and award of commissioners, and

shall at the same time file with the Clerk a bond, with surety approved by the Court, a judge thereof, or the Clerk of the Circuit Court, conditioned upon the agency paying to the defendants the difference between the sum paid into court, and that which may thereafter be finally determined to be the value of the property or property rights, if any, or incidental damages if any, unless the agency shall have sufficient sums duly appropriated, properly allocated to that purpose and on deposit to pay for any money judgments, including costs adjudged against the agency, that may thereafter be rendered against it, and further provided that such facts are alleged in its complaint or in any supplement or amendment thereto, in which event a bond shall not be required of it. If an interlocutory judgment is entered, and no answer, pleading or exceptions have been or are thereafter filed within time by any of the parties, final judgment shall be entered as provided for in sub-paragraph 8 above. If answer, pleading or exceptions are filed, the case shall proceed as provided for in cases where no interlocutory judgment has been demanded and entered, and wherein answer, pleading or exceptions are filed, and the interlocutory judgment shall remain in full force and effect. If the final judgment is greater than the amount paid into court by the agency under the report and award of the commissioners, the agency shall thereupon pay into court by depositing with the clerk of the Circuit Court the difference between the amount paid by the agency under the interlocutory judgment and the amount finally determined by the final judgment to be the value. If the difference be less, then the court shall direct the clerk to return and refund the difference to the agency out of the amount paid into the court under the Interlocutory Judgment, if said sum has not been withdrawn by the defendants, or if withdrawn by the defendants, the court shall enter judgment in favor of the agency against the defendants and their surety for said difference, together with interest at six (6%) percent per annum on the amount of the decrease from the date of withdrawal. The defendants, upon the payment by the agency into court of the amount set forth in the report and award of the commissioners, may, upon written demand, a copy of which shall be served upon the agency or its attorney at least ten (10) days prior to withdrawal of the funds, subject to approval by the court, withdraw from the clerk of the Circuit Court the said amount, provided defendants execute a bond, with surety approved by the Court, or a judge thereof, conditioned upon the payment to the agency by the defendants of any amount which may be determined to be the difference between the amount paid into court by the agency and the final judgment in the case, should it be finally determined that the amount paid into the court by the agency was greater than the amount set forth in the final judgment, and/or that the defendants receiving the funds were not the proper persons to receive same. The withdrawal of the amount by the defendants shall not prejudice or prevent defendants from filing answer, pleading or exceptions in the case, or from pursuing same if already filed, or taking any appeal, the same as if no withdrawal had been made. If defendants withdraw the amount paid into court by the agency, they shall be entitled to interest at six (6%) percent per annum from the date of the taking of possession by the agency only on the amount by which said sum may thereafter be increased. If defendants do not withdraw the amount paid into court by the agency, they shall be entitled to interest at six (6%) percent per annum from the date of the taking of possession by the agency only on the amount determined by the final judgment to be the value and amount defendants are entitled to receive for the land and property taken. The demand for an interlocutory judgment and the entering thereof is an additional remedy and right granted the agency, and the case shall continue and be disposed of in the same manner as if no interlocutory judgment had been demanded or entered.

(10) All money paid into court, or to the Clerk of the Circuit Court, whether under an Interlocutory Judgment or a final judgment shall be received and held by the Clerk subject to the order of the Court, and Clerk and his sureties of his official bond shall be responsible to the persons entitled thereto.

(11) Where there are conflicting interests and claims in land and property sought to be condemned and all such parties are before the Court, the claims and equities of any claimant and owner shall be decided by the Court or jury, as the case may be, and the funds paid into Court under an interlocutory judgment or final judgment shall be subject thereto. Such claims or determination of rights shall in no wise stay or delay said condemnation proceedings.

(12) Action filed prior to the effective date of this Act shall proceed and be concluded in accordance with the provisions of KRS 99.420 in effect at the time of the filing of the action, and for such purpose only, same shall be deemed to continue in effect.

(13) If more than one piece of property is involved, owned by different persons, the jury shall render a separate verdict as to the property of each person, or the court may direct a separate trial for each piece of property owned by different persons. If the verdict of the jury is more favorable to the party excepting the award of the commissioners, the additional costs accrued by reason of the filing of exceptions and subsequent proceedings shall be taxed against the other party, otherwise such additional costs shall be taxed against the party excepting. In either event the agency shall pay all costs of the proceedings other than the additional costs incurred by reason of filing exceptions.

(14) An appeal may be taken by either party in interest from the circuit court to the Court of Appeals in the manner, for any of the causes and subject to the rules provided by general laws regarding appeals from circuit court to the Court of Appeals, but no appeal or

supersedeas shall suspend the right of the agency to have possession of the property, easement or right of way condemned. Such appeals shall be advanced on the Docket of the Court of Appeals.

(15) A slum area or blighted area acquired for a housing project by the housing commission of the community may be included in a redevelopment area and the use of such area for redevelopment shall be a public use as though such area were originally acquired for a redevelopment project.

Section 2. Section 99.555 of the Kentucky Revised Statutes is created to read as follows:

In addition to the power and authority of any agency under KRS 95.550, such agency shall have the power and authority to act and receive grants from the Federal Government, local government, or any other sources, for the preparation, planning and completion of community renewal programs, and as authorized and provided for by Section 405 of the Federal Housing Act of 1959, amending and adding to Section 103 of the Housing Act of 1949, as amended. Communities and other public bodies shall, in addition to the assistance permitted to be given by them under KRS 99.560, have the power and authority to provide, either directly or to the agency, that portion of the total cost of the preparation, planning and completion of the community renewal program for which a grant is not made by the Federal Government under said Section 405 of the Federal Housing Act of 1959.

SB 263, AN ACT relating to securities; defining terms, providing for a director of securities and an advisory committee; defining powers and duties; providing penalties; and repealing chapter 292 of the Kentucky Revised Statutes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. **FRAUDULANT AND OTHER PROHIBITED PRACTICES**

(A) It is unlawful for any person, in connection with the offer, sale or purchase of any security, directly or indirectly

(1) to employ any device, scheme, or artifice to defraud,

(2) to make any untrue statement of a material factor to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading, or

(3) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

(B) It is unlawful for any person who receives any consideration from another person primarily for advising the other person as to the value of securities or their purchase or sale, whether through the issuance of analyses or reports or otherwise,

(1) to employ any device, scheme, or artifice to defraud the other person, or

(2) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

(C) It is unlawful for any investment adviser to enter into, extend, or renew any investment advisory contract unless it provides in writing

(1) that the investment adviser shall not be compensated on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of the client;

(2) that no assignment of the contract may be made by the investment adviser without the consent of the other party to the contract; and

(3) that the investment adviser, if a partnership, shall notify the other party to the contract of any change in the membership of the partnership within a reasonable time after the change.

Clause (1) does not prohibit an investment advisory contract which provides for compensation based upon the total value of a fund averaged over a definite period, or as of definite dates or taken as of a definite date. "Assignment", as used in clause (2), includes any direct or indirect transfer or hypothecation of an investment advisory contract by the assignor or of a controlling block of the assignor's outstanding voting securities by a security holder of the assignor; but, if the investment adviser is a partnership, no assignment of an investment advisory contract is considered to result from the death or withdrawal of a minority of the members of the investment adviser having only a minority interest in the business of the investment adviser, or from the admission to the investment adviser of one or more members who, after admission, will be only a minority of the members and will have only a minority interest in the business.

Section 2. REGISTRATION OF BROKER - DEALERS, AGENTS AND INVESTMENT ADVISERS.

(A) It is unlawful for any person to transact business in this state as a broker-dealer or agent, except in transactions exempt under section 11, unless he is registered under this act. It is unlawful for any broker-dealer or issuer to employ an agent unless the agent is registered. It is unlawful for any person to transact business in this state as an investment adviser unless (1) he is so registered under this act, or (2) he is registered as a broker-dealer under this act, or (3) his only clients in this state are investment companies as defined in the Investment Company Act of 1940 or insurance companies.

(B) A broker-dealer, agent, or investment adviser may apply for registration by filing with the director an application together with a consent to service of process pursuant to section 12 and payment of the fee prescribed in subsection (E). Registration of a broker-dealer automatically constitutes registration of all partners, officers or directors of such broker-dealer as agents (except any partner, officer or director whose registration as an agent is denied, suspended or revoked under subsection (G) without the filing of applications for registration as agents or the payment of fees for registration as agents. The application shall contain whatever information the director requires concerning such matters as:

(1) the applicant's form and place of organization;

(2) the applicant's proposed method of doing business;

(3) the qualifications and business history of the applicant and in the case of a broker-dealer or investment adviser, any partner, officer, or director;

(4) any injunction or administrative order or conviction of a misdemeanor involving a security or any aspect of the securities business and any conviction of a felony; and

(5) the applicant's financial condition and history.

(C) If no denial order is in effect and no proceeding is pending under subsection (G), registration becomes effective at noon on the thirtieth day after an application is filed. The director may specify an earlier effective date and he may by order defer the effective date until noon of the thirtieth day after the filing of any amendment. The director may require as conditions of registration:

(1) that the applicant (and, in the case of a corporation or partnership, the officers, directors or partners) pass a written examination as evidence of knowledge of the securities business;

(2) that a broker-dealer have a minimum capital, but the director shall not require capital in excess of $10,000; and

(3) that a broker-dealer post a surety bond in an amount up to $10,000, except that no such bond may be required of any broker-dealer whose capital exceeds $25,000. An appropriate deposit of cash or securities shall be accepted in lieu of any required surety bond. Every surety bond shall provide for suit thereon by any person who has a cause of action under section 17, and every such bond shall provide that no suit may be maintained to enforce any liability on the bond unless brought within two years after the sale or other act upon which it is based.

Registration of a broker-dealer, agent or investment adviser shall be effective until March 1 of the following year and may be renewed as hereinafter provided. The registration of an agent is not effective during any period when he is not associated with an issuer or a registered broker-dealer specified in his application or a notice filed with the director. When an agent begins or terminates a connection with an issuer or registered broker-dealer, the agent and the issuer or broker-dealer shall promptly notify the director.

(D) Registration of a broker-dealer, agent or investment adviser may be renewed by filing with the director prior to the expiration thereof an application containing such information as the director may require to indicate any material change in the information contained in the original application or any renewal application for registration as a broker-dealer, agent or investment adviser filed with the director by the applicant, payment of the prescribed fee and, in the case of a broker-dealer, a financial statement showing the financial condition of such broker-dealer as of a date within ninety days. A registered broker-dealer or investment adviser may file an application for registration of a successor, whether or not the successor is then in existence, for the unexpired portion of the year without payment of any fee.

(E) The fee for initial or renewal registration shall be $100 for a broker-dealer, $50 for an investment adviser, and $15 for an agent.

(F) Every registered broker-dealer and investment adviser shall make and keep such accounts and other records, except with respect to securities exempt under subsection 10 (A), as the director prescribes. All records so required shall be preserved for three years unless the director prescribes otherwise for particular types of records. All the records of a registered broker-dealer or investment adviser are subject at any time or from time to time to such reasonable periodic, special, or other examinations by representatives of the director, within or without this state, as the director deems necessary or appropriate in the public interest or for the protection of investors.

(G) The director may by order deny, suspend, or revoke registration of any broker-dealer, agent or investment adviser if he finds that the order is in the public interest and that the applicant or registrant or, in the case of a broker-dealer or investment adviser, any partner, officer, or director:

(1) has filed an application for registration under this section which, as of its effective date, or as of any date after filing in the case of an order denying effectiveness, was incomplete in any material respect or contained any statement which was, in the light of the circumstances under which it was made, false or misleading with respect to any material fact;

(2) has willfully violated or willfully failed to comply with any provision of this act or a predecessor act or any rule or order under this act or a predecessor act;

(3) has been convicted, within the past ten years, of any misdemeanor involving a security or any aspect of the securities business, or any felony;

(4) is permanently or temporarily enjoined by any court of competent jurisdiction from engaging in or continuing any conduct or practice involving any aspect of the securities business;

(5) is the subject of an order of the director denying, suspending, or revoking registration as a broker-dealer, agent, or investment adviser;

(6) is the subject of an order entered within the past five years by the securities administrator of any other state or by the Securities and Exchange Commission denying or revoking registration as a broker-dealer or agent, or the substantial equivalent of those terms as defined in this act, or is the subject of an order of the Securities and Exchange Commission suspending or expelling him from a national securities exchange or national securities association registered under the Securities Exchange Act of 1934, or is the subject of a United States Post Office fraud order; but (i) the director may not institute a revocation or suspension proceeding under this clause more than one year from the date of the order relied on, and (ii) he may not enter any order under this clause on the basis of an order unless that order was based on facts which would currently constitute a ground for an order under this section;

(7) has engaged in dishonest or unethical practices in the securities business;

(8) is insolvent, either in the sense that his liabilities exceed his assets or in the sense that he cannot meet his obligations as they mature; but the Director may not enter an order against a broker-dealer or investment adviser under this clause without a finding of insolvency as to the broker-dealer or investment adviser; or

(9) has not complied with a condition imposed by the director under subsection (C), or is not qualified on the basis of such factors as training, experience, or knowledge of the securities business; or

(10) has failed to pay the proper filing fee; but the director may enter only a denial order under this clause, and he shall vacate any such order when the deficiency has been corrected.

The director may not institute a suspension or revocation proceeding on the basis of a fact or transaction known to him when registration became effective. The director may by order summarily postpone or suspend registration pending final determination of any proceeding under this subsection. Upon the entry of the order, the director shall promptly notify the applicant or registrant, as well as the employer or prospective employer if the applicant or registrant is an agent, that it has been entered and of the reasons therefor and that within fifteen days after the receipt of a written request the matter will be set down for hearing. If no hearing is requested and none is ordered by the director, the order will remain in effect until it is modified or vacated by the director. If a hearing is requested or ordered, the director, after notice of and opportunity for hearing, may modify or vacate the order or extend it until final determination. No order may be entered under this section denying or revoking registration without appropriate prior notice to the applicant or registrant (as well as the employer or prospective employer if the applicant or registrant is an agent), opportunity for hearing, and written findings of fact and conclusions of law.

(H) If the director finds that any registrant or applicant for registration is no longer in existence or has ceased to do business as a broker-dealer, investment adviser or agent, or is subject to an adjudication of mental incompetence or to the control of a committee, conservator, or guardian, or cannot be located after reasonable search, the director may by order cancel the registration or application.

Section 3. **REGISTRATION OF SECURITIES.**

It is unlawful for any person to offer or sell any security in this state, except securities exempt under section 10 or when sold in transactions exempt under section 11, unless such security is registered by notification under section 4 or by coordination under section 5 or by qualification under section 6.

Section 4. **REGISTRATION BY NOTIFICATION.**

(A) The following securities may be registered by notification, whether or not they are also eligible for registration by coordination under section 5:

(1) any security whose issuer and any predecessors have been in continuous operation for at least five years if:

(a) there has been no default during the current fiscal year or within the three preceding fiscal years in the payment of principal, interest, or dividends on any security of the issuer (or any predecessor) with a fixed maturity or a fixed interest or dividend provision; and

(b) the issuer and any predecessors during the past three fiscal years have had average net earnings, determined in accordance with generally accepted accounting practices, which are applicable to all securities without a fixed maturity or a fixed interest or dividend provision and which (i) equal at least 5% of the amount of securities without a fixed maturity or a fixed interest or dividend provision outstanding at the date the registration statement is filed (as measured by the maximum offering price or the market price on a day selected by the registrant within thirty days before the date of filing the registration statement, whichever is higher, or if there is neither a readily determinable market price nor an offering price, book value on a day selected by the registrant within ninety days of the date of filing the registration statement), or (ii) if the issuer and any predecessors have not had any securities without a fixed maturity or a fixed interest or dividend provision outstanding for three full fiscal years, equal at least 5% of the amount (as measured by the maximum public offering price) of such securities which will be outstanding if all the securities being offered or proposed to be offered (whether or not they are proposed to be registered or offered in this state) are issued.

(2) any security (other than a certificate of interest or participation in an oil, gas or mining title or lease or in payments out of production under such a title or lease) registered for nonissuer distribution if any security of the same class has ever been registered under this act or a predecessor act, or the security being registered was originally issued pursuant to an exemption under this act or a predecessor act.

(B) A registration statement under this section shall contain the following information and be accompanied by the following documents, in addition to payment of the registration fee prescribed in section 7 and, if required under section 12, a consent to service of process meeting the requirements of that section:

(1) A statement demonstrating eligibility for registration by notification.

(2) With respect to the issuer: its name, address, and form of organization; the state (or foreign jurisdiction) and the date of its organization; and the general character and location of its business.

(3) A description of the securities being registered.

(4) Total amount of securities to be offered and amount of securities to be offered in this state.

(5) The price at which the securities are to be offered for sale to the public; any variation therefrom at which any portion of the offering is to be made to any persons, other than as underwriting and selling discounts or commissions; and the estimated maximum aggregate underwriting and selling discounts or commissions and finders' fees (including cash, securities, or anything else of value).

(6) Names and addresses of the managing underwriters and a description of the plan of distribution of any securities which are to be offered otherwise than through an underwriter.

(7) Description of any security options outstanding or to be created in connection with the offering.

(8) Any adverse order, judgment or decree previously entered in

connection with the offering by any court or the Securities and Exchange Commission.

(9) A copy of any offering circular or prospectus to be used in connection with the offering.

(10) In the case of any registration under subsection 4 (A) (2) which does not also satisfy the conditions of subsection 4 (A) (1), a balance sheet of the issuer as of a date within four months prior to the filing of the registration statement, and a summary of earning for each of the two fiscal years preceding the date of the balance sheet and for any period between the close of the last fiscal year and the date of the balance sheet, or for the period of the issuer's and any predecessors' existence if less than two years.

(C) If no stop order is in effect and no proceeding is pending under section 8, a registration statement under this section automatically becomes effective at three o'clock Eastern Standard Time in the afternoon of the second full business day after the filing of the registration statement or the last amendment, or at such earlier time as the director determines.

Section 5. REGISTRATION BY COORDINATION.

(A) Any security for which a registration statement has been filed under the Securities Act of 1933 in connection with the same offering may be registered by coordination.

(B) A registration statement under this section shall contain the following information and be accompanied by the following documents, in addition to payment of the registration fee prescribed in section 7 and, if required under section 12, a consent to service of process meeting the requirements of that section:

(1) Three copies of the prospectus filed under the Securities Act of 1933 together with all amendments thereto.

(2) The amount of securities to be offered in this state.

(3) The states in which a registration statement or similar document in connection with the offering has been or is expected to be filed.

(4) Any adverse order, judgment or decree previously entered in connection with the offering by any court or the Securities and Exchange Commission.

(5) If the director by rule or otherwise requires, a copy of the articles of incorporation and by-laws (or their substantial equivalents) currently in effect, a copy of any agreements with or among underwriters, a copy of any indenture or other instrument governing the issuance of the security to be registered, and a specimen or copy of the security;

(6) If the director requests, any other information, or copies of

any other documents, filed under the Securities Act of 1933; and

(7) An undertaking to forward promptly all amendments to the federal registration statement, other than an amendment which merely delays the effective date.

(C) A registration statement under this section automatically becomes effective at the moment the federal registration statement becomes effective if all the following conditions are satisfied:

(1) no stop order is in effect and no proceeding is pending under section 8;

(2) the registration statement has been on file with the director for at least ten days; and

(3) a statement of the maximum and minimum proposed offering prices and the maximum underwriting discounts and commissions has been on file for two full business days or such shorter period as the director permits by rule or otherwise and the offering is made within those limitations. The registrant shall promptly notify the director by telephone or telegram of the date and time when the federal registration statement became effective and the content of the price amendment, if any, and shall promptly file a post-effective amendment, containing the information and documents in the price amendment. "Price amendment" means the final federal amendment which includes a statement of the offering price, underwriting and selling discounts or commissions, amount of proceeds, conversion rates, call prices, and other matters dependent upon the offering price.

Upon failure to receive the required notification and post-effective amendment with respect to the price amendment, the director may enter a stop order, without notice or hearing, retroactively denying effectiveness to the registration statement or suspending its effectiveness until compliance with the subsection, if he promptly notifies the registrant by telephone or telegram (and promptly confirms by letter or telegram when he notifies by telephone) of the issuance of the order. If the registrant proves compliance with the requirements of this subsection as to notice and post-effective amendment, the stop order is void as of the time of its entry. The director may by rule or otherwise waive either or both of the conditions specified in clauses (2) and (3). If the federal registration statement becomes effective before all these conditions are satisfied and they are not waived, the registration statement automatically becomes effective as soon as all the conditions are satisfied. If the registrant advises the director of the date when the federal registration statement is expected to become effective the director shall promptly advise the registrant by telephone or telegram, at the registrant's expense, whether all the conditions are satisfied and whether he then contemplates the institution of a proceeding under section 8; but this advice by the director does not preclude the institution of such a proceeding at any time.

Section 6. **REGISTRATION BY QUALIFICATION.**

(A) Any security may be registered by qualification.

(B) A registration statement under this section shall contain the following information and be accompanied by the following documents, in addition to payment of the registration fee prescribed in section 7 and, if required under section 12, a consent to service of process meeting the requirements of that section:

(1) With respect to the issuer and any significant subsidiary; its name, address, and form of organization; the state or foreign jurisdiction and date of its organization; the general character and location of its business; and a description of its physical properties and equipment.

(2) With respect to every director and officer of the issuer, or person occupying a similar status or performing similar functions: his name, address, and principal occupation for the past five years; the amount of securities of the issuer held by him as of a specified date within ninety days of the filing of the registration statement; the remuneration paid to all such persons in the aggregate during the past twelve months, and estimated to be paid during the next twelve months, directly or indirectly, by the issuer (together with all predecessors, parents and subsidiaries).

(3) With respect to any person not named in clause (2), owning of record, or beneficially if known, ten percent or more of the outstanding shares of any class of equity security of the issuer: the information specified in clause (2) other than his occupation.

(4) With respect to every promoter, not named in clause (2), if the issuer was organized within the past three years: the information specified in clause (2), any amount paid to him by the issuer within that period or intended to be paid to him, and the consideration for any such payment.

(5) The capitalization and long-term debt (on both a current and a pro forma basis) of the issuer and any significant subsidiary, including a description of each security outstanding or being registered or otherwise offered, and a statement of the amount and kind of consideration (whether in the form of cash, physical assets, services, patents, goodwill, or anything else) for which the issuer or any subsidiary has issued any of its securities within the past two years or is obligated to issue any of its securities.

(6) The kind and amount of securities to be offered; the amount to be offered in this state; the proposed offering price and

any variation therefrom at which any portion of the offering is to be made to any persons except as underwriting and selling discounts and commissions; the estimated aggregate underwriting and selling discounts or commissions and finders' fees (including separately cash, securities, or anything else of value to accrue to the underwriters in connection with the offering); the estimated amounts of other selling expenses, and legal, engineering and accounting expenses to be incurred by the issuer in connection with the offering; the name and address of every underwriter and every recipient of a finders' fee; a copy of any underwriting or selling-group agreement pursuant to which the distribution is to be made, or the proposed form of any such agreement whose terms have not yet been determined; and a description of the plan of distribution of any securities which are to be offered otherwise than through an underwriter.

(7) The estimated cash proceeds to be received by the issuer from the offering; the purposes for which the proceeds are to be used by the issuer; the amount to be used for each purpose; the order or priority in which the proceeds will be used for the purposes stated; the amounts of any funds to be raised from other sources to achieve the purposes stated, and the sources of any such funds; and, if any part of the proceeds is to be used to acquire any property (including goodwill) otherwise than in the ordinary course of business, the names and addresses of the vendors and the purchase price.

(8) A description of any stock options or other security options outstanding, or to be created in connection with the offering, together with the amount of any such options held or to be held by every person required to be named in clause (2), (3), (4), (5) or (7) and by any person who holds or will hold ten percent or more in the aggregate of any such options.

(9) The states in which a registration statement or similar document in connection with the offering has been or is expected to be filed.

(10) Any adverse order, judgment or decree previously entered in connection with the offering by any court or the Securities and Exchange Commission; a description of any pending litigation or proceedings to which the issuer is a party and which materially affects its business or assets (including any such litigation or proceeding known to be contemplated by governmental authorities.)

(11) A copy of any prospectus or circular intended as of the effective date to be used in connection with the offering;

(12) A specimen or copy of the security being registered; a copy of the issuer's articles of incorporation and by-laws, as cur-

rently in effect; and a copy of any indenture or other instrument covering the security to be registered.

(13) A signed or conformed copy of an opinion of counsel, if available, as to the legality of the security being registered.

(14) A balance sheet of the issuer as of a date within four months prior to the filing of the registration statement; a profit and loss statement and analysis of surplus for each of the three fiscal years preceding the date of the balance sheet and for any period between the close of the last fiscal year and the date of the balance sheet, or for the period of the issuer's and any predecessor's existence if less than three years; and, if any part of the proceeds of the offering is to be applied to the purchase of any business, the same financial statements which would be required if that business were the registrant.

In the case of a non-issuer distribution, information may not be required under this section unless it is known to the person filing the registration statement or to the persons on whose behalf the distribution is to be made, or can be furnished by them without unreasonable effort or expense.

(C) A registration statement under this section becomes effective when the director so orders. The director may require as a condition of registration under this section that a prospectus containing any designated part of the information specified in subsection (B) be sent or given to each person to whom an offer is made before or concurrently with (1) the first written offer made to him (otherwise than by means of a public advertisement) by or for the account of the issuer or any other person on whose behalf the offering is being made, or by any underwriter or broker-dealer who is offering part of an unsold allotment or subscription taken by him as a participant in the distribution, (2) the confirmation of any sale made by or for the account of any such person, (3) payment pursuant to any such sale, or (4) delivery of the security pursuant to any such sale, whichever first occurs; but the director shall accept for use under any such requirement a current prospectus or offering circular regarding the same securities filed under the Securities Act of 1933 or regulations thereunder.

Section 7. GENERAL PROVISIONS REGARDING REGISTRATION OF SECURITIES.

(A) A registration statement may be filed by the issuer, any other person on whose behalf the offering is to be made, or a registered broker-dealer. Any document filed under this act or a predecessor act within five years preceding the filing of a registration statement may be incorporated by reference in the registration statement to the extent that the document is currently accurate. The director may by rule or otherwise permit the omission of any item of information or document from any registration statement.

(B) The director may require as a condition of registration by qualification or coordination that (1) the proceeds from the sale of the registered security be impounded until the issuer receives a specified amount or (2) any security issued within the past three years, or to be issued, to a promoter for a consideration substantially different from the public offering price, or to any person for a consideration other than cash, be delivered in escrow to him or to some other depository satisfactory to him under an escrow agreement that the owners of such securities shall not be entitled to sell or transfer such securities or to withdraw such securities from escrow until all other stockholders who have paid for their stock in cash shall have been paid a dividend or dividends aggregating not less than 6% of the initial offering price shown to the satisfaction of the director to have been actually earned on the investment in any common stock so held. The director shall not reject a depository solely because of location in another state. In case of dissolution or insolvency during the time such securities are held in escrow, the owners of such securities shall not participate in the assets until after the owners of all other securities shall have been paid in full.

(C) For the registration of securities by notification or coordination or qualification, there shall be paid to the director a registration fee of 1/20th of 1% of the aggregate offering price of the securities which are to be offered in this state, but the fee shall in no case be less than $50 nor more than $1,000. When a registration statement is withdrawn before the effective date or a pre-effective stop order is entered under section 8, the director shall retain $15 of the fee. For the registration of securities issued by a face-amount certificate company or a redeemable security issued by an open-end management company or unit investment trust, as those terms are defined in the Investment Company Act of 1940, a new registration fee shall be paid each year that the registration remains in effect, based upon the aggregate offering price of such securities which are to be offered in this state during that year, even though the maximum fee was paid the preceding year; and the registration statement for such securities may be amended to increase the amount of securities to be offered.

(D) When securities are registered by notification or by coordination or by qualification, they may be offered and sold by the issuer, any other person on whose behalf they are registered or by any registered broker-dealer. Every registration shall remain effective until revoked by the director or until terminated upon request of the registrant with the consent of the director. All outstanding securities of the same class as a registered security are considered to be registered for the purpose of any non-issuer transaction. A registration statement which has become effective may not be withdrawn for one year from its effective date if any securities of the same class are outstanding.

(E) The director may require the person who filed the registration statement to file reports, not more often than quarterly, to keep reasonably current the information contained in the registration statement and to disclose the progress of the offering with respect to registered securities which (1) are issued by a face-amount certificate company or a redeemable security issued by an open-end management company or unit investment trust as those terms are defined in the Investment Company Act of 1940, or (2) are being offered and sold directly by or for the account of the issuer. The director shall impose a fee of five dollars for each such report filed with him.

Section 8. DENIAL, SUSPENSION, AND REVOCATION OF REGISTRATION.

(A) The director may issue a stop order denying effectiveness to, or suspending or revoking the effectiveness of, any registration statement if he finds that the order is in the public interest and that:

(1) the registration statement as of its effective date or as of any earlier date in the case of an order denying effectiveness, is incomplete in any material respect or contains any statement which was, in the light of the circumstances under which it was made, false or misleading with respect to any material fact;

(2) any provision of this act or any rule, order, or condition lawfully imposed under this act has been willfully violated, in connection with the offering by (i) the person filing the registration statement, (ii) the issuer, any partner, officer, or director of the issuer, any person occupying a similar status or performing similar functions, or any person directly or indirectly controlling or controlled by the issuer, but only if the person filing the registration statement is directly or indirectly controlled by or acting for the issuer, or (iii) any underwriter;

(3) the security registered or sought to be registered is the subject of a permanent or temporary injunction of any court of competent jurisdiction entered under any other federal or state act applicable to the offering; but (i) the director may not institute a proceeding against an effective registration statement under this clause more than one year from the date of the injunction relied on, and (ii) he may not enter an order under this clause on the basis of an injunction entered under any other state act unless that order or injunction was based on facts which would currently constitute a ground for a stop order under this section;

(4) the issuer's enterprise or method of business includes or would include activities which are illegal where performed;

(5) the offering has worked or tended to work a fraud upon purchases or would so operate;

(6) when a security is sought to be registered by notification, it is not eligible for such registration;

(7) when a security is sought to be registered by coordination, there has been a failure to comply with the undertaking required by section 5 (B) (7), or

(8) the applicant or registrant has failed to pay the proper registration fee; but the director may enter only a denial order under this clause and he shall vacate any such order when the deficiency has been corrected;

(9) A commission or fee greater than twenty per cent would be paid directly or indirectly, in consideration for the sale of the securities sought to be registered.

The director may not enter a stop order against an effective registration statement on the basis of a fact or transaction known to him when the registration statement became effective.

(B) Upon the entry of a stop order under any part of this section, the director shall promptly notify the issuer of the securities and the applicant or registrant that the order has been entered and of the reasons therefor and that within fifteen days after the receipt of a written request the matter will be set down for hearing. If no hearing is requested within fifteen days and none is ordered by the director, the director shall enter his written findings of fact and conclusions of law and the order will remain in effect until it is modified or vacated by the director. If a hearing is requested or ordered, the director, after notice of and opportunity for hearing to the issuer and to the applicant or registrant, shall enter his written findings of fact and conclusions of law and may modify or vacate the order. The director may modify or vacate a stop order if he finds that the conditions which prompted its entry have changed or that it is otherwise in the public interest to do so.

Section 9. **DEFINITIONS.**

When used in this Act, unless the context otherwise requires:

(A) "Director" means the Director of the Division of Securities in the Department of Banking.

(B) "Agent" means any individual other than a broker-dealer who represents a broker-dealer or issuer in effecting or attempting to effect sales of securities, but "agent" does not include an individual who represents an issuer in (1) effecting a transaction in a security exempted by clause (A), (B), (C), (I), (J) or (K) of section 10, (2) effecting transactions exempted by section 11 or (3) effecting transactions with existing employees, partners or directors of the issuer if no commission or other remuneration is paid or given directly or indirectly for soliciting any person in this state. A partner, officer, or director of a broker-dealer or issuer is an agent only if he otherwise comes within this definition.

(C) "Broker-dealer" means any person engaged in the business of effective transactions in securities for the account of others or for his own account. "Broker-dealer" does not include (1) an agent, issuer, bank, savings institution, or trust company, (2) a person who has no place of business in this state if he effects transactions in this state exclusively with or through the issuers of the securities involved in the transactions, other broker-dealer, or bank, savings institutions, trust companies, insurance companies, investment companies as defined in the Investment Company Act of 1940, pension or profit-sharing trusts, or other financial institutions or institutional buyers, whether acting for themselves or as trustees, or (3) a person who has no place of business in this state if during any period of twelve consecutive months he does not direct more than fifteen offers to sell or to buy into this state in any manner to persons other than those specified in clause (2).

(D) "Guaranteed" means guaranteed as to payment of principal, interest, or dividends.

(E) "Investment adviser" means any person who, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as a part of a regular business, issues or promulgates analyses or reports concerning securities. "Investment adviser" does not include (1) a bank, savings institutions, or trust company; (2) a lawyer, accountant, engineer, or teacher whose performance of these services is solely incidental to the practice of his profession; (3) a broker-dealer; (4) a publisher of any bona fide newspaper, news magazine, or business or financial publication of general, regular, and paid circulation; (5) a person whose advice, analyses, or reports relate only to securities exempted by section 10 (A); (6) a person who has no place of business in this state if (A) his only clients in this state are other investment advisers, broker-dealers, banks, savings institutions, trust companies, insurance companies, investment companies as defined in the Investment Company Act of 1940, pension or profit-sharing trust, or other financial institutions or institutional buyers, whether acting for themselves or as trustees, or (B) during any period of twelve consecutive months he does not direct business communications into this state in any manner to more than five clients other than those specified in clause (A), or (7) such other persons not within the intent of this paragraph as the director may by rule or order designate.

(F) "Issuer" means any person who issues or proposes to issue any security, except that with respect to certificates of deposit, voting trust certificates, or collateral-trust certificates, or with respect to certificates of interest or shares in an unincorporated investment trust not having a board of directors (or persons performing similar functions) or of the fixed, restricted management, or unit type, the term "issuer" means the person or persons performing the acts and assuming the duties of depositors or manager pursuant to the provisions of the trust or other agreement or instrument under which the security is issued.

(G) "Non-issuer" means not directly or indirectly for the benefit of the issuer.

(H) "Person" means an individual, a corporation, a partnership, an association, a joint-stock company, a trust where the interests of the beneficiaries are evidenced by a security, an unincorporated organization, a government, or a political subdivision of a government.

(I) "Sale" or "sell" includes every contract of sale of, contract to sell, or disposition of, a security or interest in a security for value. "Offer" or "offer to sell" includes every attempt to offer to dispose of, or solicitation of an offer to buy, a security or interest in a security for value.

Any security given or delivered with, or as a bonus on account of, any purchase of securities or any other thing is considered to constitute part of the subject of the purchase and to have been offered and sold for value. A purported gift of assessable stock is considered to involve an offer and sale. Every sale or offer of a warrant or right to purchase or subscribe to another security of the same or another issuer, as well as every sale or offer of a security which gives the holder a present or future right or privilege to convert into another security of the same or another issuer, is considered to include an offer of the other security.

(J) "Securities Act of 1933", "Securities Exchange Act of 1934", "Public Utility Holding Company Act of 1935", and "Investment Company Act of 1940" means the federal statutes of those names as amended before or after the effective date of this act.

(K) "Security" means any note; stock; treasury stock; bond; debenture; evidence of indebtedness; certificate of interest or participation in any profit-sharing agreement; collateral-trust certificate; preorganization certificate or subscription; transferable share; investment contract; voting-trust certificate; certificate of deposit for a security; certificate of interest or participation in an oil, gas or mining title or lease or in payments out of production under such a title or lease to more than five persons; or, in general, any interest or instrument commonly known as a "security", or any certificate of interest or participation in, temporary or interim certificate for, guarantee of, or warrant or right to subscribe to or purchase, any of the foregoing. "Security" does not include any insurance or endowment policy or annuity contract under which an insurance company promises to pay a fixed number of dollars either in a lump sum or periodically for life or some other specified period.

(L) "State" means any state, territory, or possession of the United States, as well as the District of Columbia and Puerto Rico.

Section 10. EXEMPT SECURITIES.

Sections 3 through 8, inclusive, of this act shall not apply to any of the following securities:

(A) any security (including a revenue obligation) issued or guaranteed by the United States, any state, any political subdivision of a state, or any agency or corporate or other instrumentality of one or more of the foregoing; or any certificate of deposit for any of the foregoing.

(B) Any security issued or guaranteed by Canada, any Canadian province, any political subdivision of any such province, any agency or corporate or other instrumentality of one or more of the foregoing, or any other foreign government with which the United States currently maintains diplomatic relations, if the security is recognized as a valid obligation by the issuer or guarantor.

(C) Any security issued by and representing an interest in or a debt of, or guaranteed by, any bank organized under the laws of the United States, or any bank, savings institutions, or trust company organized and supervised under the laws of any state.

(D) Any security issued by and representing an interest in or debt of, or guaranteed by, any federal savings and loan association, or any building and loan or similar association organized under the laws of any state and authorized to do business in this state.

(E) Securities issued by corporations formed under Chapter 279.

(F) Any security issued or guaranteed by any federal credit union or any credit union, industrial loan association, or similar association organized and supervised under the laws of this state.

(G) Any security issued or guaranteed by any railroad, other common carrier, public utility, or holding company which is (1) subject to the jurisdiction of the Interstate Commerce Commission; (2) a registered holding company under the Public Utility Holding Company Act of 1935 or a subsidiary of such a company within the meaning of that act; (3) regulated in respect of its rates and charges by a governmental authority of the United States or any state or municipality; or (4) regulated in respect of the issuance or guarantee of the security by a governmental authority of the United States, any state, Canada, or any Canadian province.

(H) Any security listed or approved for listing upon notice of issuance on the New York Stock Exchange, the American Stock Exchange, or the Midwest Stock Exchange or any other stock exchange approved by the director; any other security of the same issuer which is of senior or substantially equal rank; any security called for by subscription rights or warrants so listed or approved; or any warrant or right to purchase or subscribe to any of the foregoing.

(I) Any security issued by any person organized and operated not for private profit but exclusively for religious, educational, benevolent, charitable, fraternal, social, athletic, or reformatory purposes, or as a chamber of commerce or trade or professional association.

(J) Any commercial paper which arises out of a current transaction or the proceeds of which have been or are to be used for current transactions, and which evidence an obligation to pay cash within nine months of the date of issuance, exclusive of days of grace, or any renewal of such paper which is likewise limited, or any guarantee of such paper or of any such renewal.

(K) Any investment contract issued in connection with an employees' stock purchase, savings, pension, profit-sharing, or similar benefit plan if the director is notified in writing thirty days before the inception of the plan or, with respect to plans which are in effect on the effective date of this act, within sixty days thereafter (or within thirty days before they are re-opened if they are closed on the effective date of this act.)

(L) The shares of capital stock of a corporation, organized under the laws of this state for the purpose of doing business in this state, issued in obtaining the amount of capital stated in the articles of incorporation as the amount of capital with which the corporation will begin business, in accordance with the provisions of KRS 271.035, 271.085 and 271.095, where no expense in excess of one percent of the proceeds from the sale of its capital stock so issued is incurred, and no commission, compensation or other remuneration is paid or given for or in connection with the sale or disposition of such capital stock, and no part of the issue so disposed of is issued directly or indirectly in payments for patents, services, good will, trade-marks, leases, copyrights, processes, formulae, or other intangible assets. The president and secretary of the corporation shall, prior to such disposal, file with the director a written verified statement setting forth the existence of the above facts, and that the corporation is formed for the purpose of doing business in this state.

Section 11. EXEMPT TRANSACTIONS.

Except as hereinafter in this section expressly provided, sections 2 through 8 inclusive of this act shall not apply to any of the following transactions:

(A) Any isolated transaction, whether effected through a broker-dealer or not.

(B) Any non-issuer distribution of an outstanding security by a registered broker-dealer if (1) a recognized securities manual contains the names of the issuer's officers and directors, a balance sheet of the issuer as of a date within eighteen months, and a profit and loss statement for either the fiscal year preceding that date or the most recent year of operations, or (2) the security has a fixed maturity or a fixed interest or dividend provision and there has been no default during the current fiscal year or within the three preceding fiscal years, or during the existence of the issuer and any predecessors if less than three years, in the payment of principal interest, or dividends on the security.

(C) Any non-issuer transaction effected by or through a registered broker-dealer pursuant to an unsolicited order or offer to buy; but the director may by rule require that the customer acknowledge upon a specified form that the sale was unsolicited, and that a signed copy of each such form be preserved by the broker-dealer for a specified period.

(D) Any transaction between the issuer or other person on whose behalf the offering is made and an underwriter, or among underwriters.

(E) Any transaction in a bond or other evidence of indebtedness secured by a real or chattel mortgage or deed of trust, or by an agreement for the sale of real estate or chattels, if the entire mortgage, deed or trust, or agreement, together with all the bonds or other evidences of indebtedness secured thereby, is offered and sold as a unit.

(F) Any transaction by an executor, administrator, sheriff, marshal, receiver, trustee in bankruptcy, guardian, or conservator.

(G) Any transaction executed by a bona fide pledgee without any purpose of evading this act.

(H) Any offer or sale to a bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, or other financial institution or institutional buyer, or to a broker-dealer, whether the purchaser is acting for itself or in some fiduciary capacity.

(I) Any transaction pursuant to an offer directed by the offerer to not more than ten persons (other than those designated in paragraph (H) in this state during any period of twelve consecutive months, whether or not the offerer or any of the offerees is then present in this state, if (1) the seller reasonably believes that all the buyers are purchasing for investment, and (2) no commission or other remuneration is paid or given directly or indirectly for soliciting any prospective buyer.

(J) Any offer or sale of a preorganization certificate or subscription if (1) no commission or other remuneration is paid or given directly or indirectly for soliciting any prospective subscriber, (2) the number of subscribers does not exceed ten, and (3) no payment is made by any subscriber.

(K) Any transaction pursuant to an offer to existing security holders of the issuer, including persons who at the time of the transaction are holders of convertible securities, non-transferable warrants, or transferable warrants exercisable within not more than ninety days of their issuance, if (1) no commission or other remuneration (other than a standby commission) is paid or given directly or indirectly for soliciting any security holder in this state, or (2) the issuer first files a notice specifying the terms of the offer and the director does not by order disallow the exemption within the next five full business days.

(L) Any offer (but not a sale) of a security for which registration statements have been filed under both this act and the Securities Act of 1933 if no stop order or refusal order is in effect and no public proceeding or examination looking toward such an order is pending under either act.

(M) The issuance of any stock dividend, whether the corporation distributing the dividend is the issuer of the stock or not, if nothing of value is given by stockholders for the distribution other than the surrender of a right to a cash dividend where the stockholder can elect to take a dividend in cash or stock.

(N) Any transaction incident to a right of conversion or a statutory or judicially approved reclassification, recapitalization, reorganization, quasi reorganization, stock split, reverse stock split, merger, consolidation or sale of assets.

The director may by order deny or revoke the exemption specified in subsection (B) with respect to a specific security. Upon the entry of such an order, the director shall promptly notify all registered broker-dealers that it has been entered and of the reasons therefor and that within fifteen days of the receipt of a written request the matter will be set down for hearing. If no hearing is requested and none is ordered by the director, the order will remain in effect until it is modified or vacated by the director. If a hearing is requested or ordered, the director, after notice of and opportunity for hearing to all interested persons, may modify or vacate the order or extend it until final determination. No order under this subsection may operate retroactively. No person may be considered to have violated this act by reason of any offer or sale effected after the entry of an order under this subsection if he sustains the burden of proof that he did not know, and in the exercise of reasonable care could not have known of the order. In any proceeding under this act, the burden of proving an exemption from a definition is upon the person claiming it.

Section 12. CONSENT TO SERVICE OF PROCESS.

Every applicant for registration as a broker-dealer or agent under this act and every issuer which proposes to offer a security in this state through any person acting on an agency basis in the commonlaw sense shall file with the director, in such form as he by rule prescribes, an irrevocable consent appointing the director or his successor in office to be his attorney to receive service of any lawful process in any non-criminal suit, action, or proceeding against him or his successor executor or administrator which arises under this act or any rule or order hereunder after the consent has been filed, with the same force and validity as if served personally on the person filing the consent. A person who has filed such a consent in connection with a previous registration need not file another. Service may be made by leaving a copy of the process in the office of the director, but it is not effective unless (1) the plaintiff, who may be the director in a suit, action, or proceeding instituted by him, forthwith sends notice of the service and a copy of the process by registered mail to the defendant or respondent at his last address on file with the director, and (2) the plaintiff's affidavit of compliance with this subsection if filed in the case on or before the return day of the process, if any, or within such further time as the court allows.

Section 13. MISLEADING FILINGS.

It is unlawful for any person to make or cause to be made, in any document filed with the director or in any proceeding under this act, any statement which is, at the time and in the light of the circumstances under which it is made, false or misleading in any material respect.

Section 14. UNLAWFUL REPRESENTATIONS CONCERNING REGISTRATION OR EXEMPTION.

Neither the fact that an application for registration under section 2 or a registration statement under sections 4, 5 or 6 has been filed, nor the fact that a person or security is effectively registered, constitutes a finding by the director that any document filed under this act is true, complete, and not misleading. Neither any such fact nor the fact that an exemption or exception is available for a security or a transaction means that the director has passed in any way upon the merits or qualifications of, or recommended or given approval to, any person, security, or transaction. It is unlawful to make, or cause to be made, to any prospective purchaser, customer, or client any representation inconsistent with this section.

Section 15. INVESTIGATIONS AND SUBPOENAS.

(A) The director in his discretion (1) may make such public or private investigations within or outside of this state as he deems necessary to determine whether any registration should be granted, denied or revoked or whether any person has violated or is about to violate any provision of this act or any rule or order hereunder, or to aid in the enforcement of this act or in the prescribing of rules and forms hereunder, (2) may require or permit any person to file a statement in writing, under oath or otherwise as the director may determine, as to all the facts and circumstances concerning the matter to be investigated, and (3) may publish information concerning any violation of this act or any rule or order hereunder.

(B) For the purpose of any investigation or proceeding under this act, the director or any officer designated by him may administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda, agreements, or other documents or records which the director deems relevant or material to the inquiry.

(C) In case of contumacy by, or refusal to obey a subpoena issued to, any person, any court of competent jurisdiction, upon application by the director, may issue to that person an order requiring him to appear before the director, or the officer designated by him, there to produce documentary evidence if so ordered or to give evidence touching the matter under investigation or in question; and any failure to obey the order of the court may be punished by the court as a contempt of court.

(D) No person is excused from attending and testifying or from producing any document or record before the director, or in obedience to the subpoena of the director or any officer designated by him, or in any proceeding instituted by the director, on the ground that the testimony or evidence (documentary or otherwise) required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no individual may be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after claiming his privilege against self-incrimination, to testify or produce evidence (documentary or otherwise), except that the individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

Section 16. INJUNCTIONS.

Whenever it appears to the director that any person has engaged or is about to engage in any act or practice constituting a violation of any provision of this act or any rule or order hereunder, he may in his discretion bring an action in any court of competent jurisdiction to enjoin any such acts or practices and to enforce compliance with this act or any rule or order hereunder. Upon a proper showing a permanent or temporary injunction, restraining order, or writ of mandamus shall be granted and a receiver or conservator may be appointed for the defendant or the defendant's assets. The director may not be required to post a bond.

Section 17. CRIMINAL PENALTIES.

(A) Any person who willfully violates any provision of this act except section 13, or who willfully violates any rule or order under this act, or who willfully violates section 13 knowing the statement made to be false or misleading in any material respect, shall upon conviction be fined not more than $5,000 or imprisoned not more than three years, or both; but no person may be imprisoned for the violation of any rule or order if he proves that he had no knowledge of the rule or order. No indictment or information may be returned under this act more than five years after the alleged violation.

(B) The director may refer such evidence as may be available concerning violations of this act or of any rule or order hereunder to the attorney general or the proper district attorney, who may in his discretion, with or without such a reference, institute the appropriate criminal proceedings under this act.

(C) Nothing in this act limits the power of the state to punish any person for any conduct which constitutes a crime by statute or at common law.

Section 18. **CIVIL LIABILITIES.**

(A) Any person, who offers or sells a security in violation of section 3 or 4 or offers or sells a security by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made in the light of the circumstances under which they are made not misleading (the buyer not knowing of the untruth or omission) and who does not sustain the burden of proof that he did not know and in the exercise of reasonable care could not have known of the untruth or omission, is liable to the person buying the security from him, who may sue either at law or in equity to recover the consideration paid for the security, together with interest at six percent per annum from the date of payment, costs, and reasonable attorneys' fees, less the amount of any income received on the security, upon the tender of the security, or for damages if he no longer owns the security. Damages are the amount that would be recoverable upon a tender less (1) the value of the security when the buyer is disposed of it and (2) interest at six percent per annum from the date of disposition.

(B) Every person who directly or indirectly controls a seller liable under subsection (A), every partner, officer, or director (or person occupying a similar status or performing similar functions) or employee of such a seller who materially aids in the sale, and every broker-dealer or agent who materially aids in the sale is also liable jointly and severally with and to the same extent as the seller, unless the non-seller who is so liable sustains the burden of proof that he did not know, and in the exercise of reasonable care could not have known, of the existence of the facts by reason of which the liability is alleged to exist. There is contribution as in cases of contract among the several persons so liable.

(C) Any tender specified in this section may be made at any time before entry of judgment. Every cause of action under this statute survives the death of any person who might have been a plaintiff or defendant. No person may sue under this section more than two years after the contract of sale. No person may sue under this section (1) if the buyer received a written offer, before suit and at a time when he owned the security, to refund the consideration paid together with interest at six percent per annum from the date of payment, less the amount of any income received on the security, and he failed to accept the offer within thirty days of its receipt, or

(2) if the buyer received such an offer before suit and at a time when he did not own the security, unless he rejected the offer in writing within thirty days of its receipt.

(D) No person who has made or engaged in the performance of any contract in violation of any provision of this act or any rule or order hereunder, or who has acquired any purported right under any such contract with knowledge of the facts by reason of which its making or performance was in violation, may base any suit on the contract. Any condition, stipulation, or provision binding any person acquiring any security to waive compliance with any provision of this act or any rule or order hereunder is void.

Section 19. JUDICIAL REVIEW OF ORDERS.

Any person aggrieved by a final order of the director may obtain a review of the order by filing in the Franklin Circuit Court, within sixty days after the entry of the order, a written petition praying that the order be modified or set aside in whole or in part. A copy of the petition shall be forthwith served upon the director, and thereupon the director shall certify and file in court a copy of the filing, testimony, and other evidence upon which the order was entered. When these have been filed, the court has exclusive jurisdiction to affirm, modify, enforce, or set aside the order, in whole or in part. No objection to the order may be considered by the court unless it was urged before the director or there were reasonable grounds for failure to do so. The findings of the director as to the facts, if supported by substantial evidence, are conclusive. If either party applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that the additional evidence is material and that there were reasonable grounds for failure to adduce the evidence in the hearing before the director the court may order the additional evidence to be taken before the director and to be adduced upon the hearing in such manner and upon such conditions as the court may consider proper. The director may modify his findings as the facts, by reason of the additional evidence so taken; and he shall file any modified or new findings, which if supported by substantial evidence shall be conclusive, and any recommendation for the modification or setting aside of the original order. The commencement of proceedings under this action does not, unless specifically ordered by the court, operate as a stay of the director's order. An appeal may be taken from the judgment of the Franklin Circuit Court on any such appeal to the Court of Appeals on the same terms and conditions as an appeal is taken in civil actions.

Section 20. ADMINISTRATION OF ACT.

(A) The administration of the provisions of this act shall be under the Division of Securities in the Department of Banking.

(B) It is unlawful for the director or any of his officers or employes to use for personal benefit any information which is filed with or obtained by the director and which is not made public. No provision of this act authorizies the director or any of his officers or employes to disclose any such information except among themselves or when necessary or appropriate in a proceeding or investigation under this act. No provision of this act either creates or derogates from any privilege which exists at common law or otherwise when documentary or other evidence is sought under a subpoena directed to the director or any of his officers or employes.

(C) The director may from time to time make, amend, and rescind such rules and forms as are necessary to carry out the provisions of this act. No rule or form, may be made unless the director finds that the action is necessary or appropriate in the public interest or for the protection of investors and consistent with the purposes fairly intended by the policy and provisions of this act. In prescribing rules and forms the director may cooperate with the securities administrators of the other states and the Securities and Exchange Commission with a view to effectuating the policy of this statute to achieve maximum uniformity in the form and content of registration statements, applications, and reports wherever practicable. All rules and forms of the director shall be published.

(D) No provision of this act imposing any liability applies to any act done or omitted in good faith in conformity with any rule, form, or order of the director, notwithstanding that the rule or form may later be amended or rescinded or be determined by judicial or other authority to be invalid for any reason.

(E) Every hearing in an administrative proceeding shall be public unless the director in his discretion grants a request joined in by all the respondents that the hearing be conducted privately.

(F) A document is filed when it is received by the director. The director shall keep a register of all applications for registration and registration statements which are or have ever been effective under this act and all denial, suspension, or revocation orders which have ever been entered under this act. The register shall be open for public inspection. The information contained in or filed with any registration statement, application, or report may be made available to the public under such rules as the director prescribes.

(G) Upon request and at such reasonable charges as he prescribes, the director shall furnish to any person photostatic or other copies (certified under his seal of office if requested) of any entry in the register or any document which is a matter of public record. In any proceeding or prosecution under this act, any copy so certified is prima facie evidence of the contents of the entry or document certified.

(H) The director in his discretion may honor requests from interested persons for interpretative opinions.

Section 21. **PROOF OF EXEMPTION.**

In any proceeding under this act, the burden of proving an exemption or an exception from a definition is upon the person claiming it.

Section 22. **STATUTORY POLICY.**

This act shall be so construed as to effectuate its general purpose to make uniform the law of those states which enact it and to coordinate the interpretation and administration of this act with the related federal regulation.

Section 23. **SHORT TITLE.**

This act may be cited as the Securities Act of Kentucky.

Section 24. **SEVERABILITY OF PROVISIONS.**

If any provision of this act of the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.

Section 25. **REPEAL AND SAVING PROVISIONS.**

(A) Chapter 292 of the Kentucky Revised Statutes is hereby repealed.

(B) Prior law exclusively governs all suits, actions, prosecutions, or proceedings which are pending or may be initiated on the basis of facts or circumstances occuring before the effective date of this act, except that no civil suit or action may be maintained to enforce any liability under prior law unless brought within any period of limitation which applied when the cause of action accrued and in any event within two years after the effective date of this act.

(C) All effective registrations under prior law and all conditions imposed upon such registrations remain in effect so long as they would have remained in effect if they had become effective under this law. They are considered to have been filed, entered or imposed under this act.

(D) Prior law applies in respect of any offer or sale made within one year after the effective date of this act pursuant to an offering begun in good faith before its effective date on the basis of an exemption available under prior law.

(E) Judicial review of all administrative orders as to which review proceedings have not been instituted by the effective date of this act are governed by section 18, except that no review proceeding may be instituted unless the petition is filed within any period of limitation which applied to a review proceeding when the order was entered and in any event within sixty days after the effective date of this act.

Section 26. **ADVISORY COMMITTEE.**

There is hereby created a Securities Advisory Committee which shall consist of 7 members to be appointed by the Governor on the basis of their experience and qualifications. The membership shall be selected, insofar as possible, on the basis of giving both geographic representation and representation to all phases of the securities business including the legal and accounting professions. (1) The Committee shall select a chairman and a secretary from their group. (2) Regular meetings may be held quarterly or semi-annually and special meetings may be called by the director upon at least 7 days written notice to each member sent by regular mail. (3) The first members of the Committee shall hold office as follows: 2 members shall be appointed for 2 years; 2 members shall be appointed for 3 years; and 3 members to be appointed for 4 years. Upon the expiration of said original terms, subsequent appointments shall be for 4 years except in the case of a vacancy, in which event appointments shall be only for the remainder of the unexpired term in which the vacancy occurs.

Section 27. **COMMITTEE DUTIES.**

The Securities Advisory Committee shall: (1) serve in an advisory capacity to the director in all matters pertaining to this act; (2) acquaint themselves fully with the operations of the director's office as to the administration of securities, broker-dealers, salesmen, and investment advisers, and periodically recommend to the director such changes in the rules and regulations of the Division in connection therewith as they deem advisable; (3) appoint three of their members to act as an examining committee; (4) the Securities Advisory Committee shall receive no compensation, but shall be reimbursed as provided by law for their transportation, lodging and other expenses; provided, that members acting as an examining committee when directed to do so by the director shall be paid in addition to expenses allowed $25.00 per day for conducting examinations provided for herein.

Section 28. **TIME OF TAKING EFFECT.**

This act shall take effect on January 1, 1961.

SB 246, WHEREAS, juveniles who are not under proper supervision and control, or who have absconded, escaped or run away, are likely to endanger their own health, morals and welfare, and the health, morals and welfare of others; and

WHEREAS, the cooperation of this state with other states is necessary to provide for the welfare and protection of juveniles and of the people of this state; and

WHEREAS, it should therefore be the policy of this state, in adopting the Interstate Compact on Juveniles, to cooperate fully with other states: (1) in returning juveniles to such other states whenever their return is sought; and (2) in accepting the return of juveniles whenever a juvenile residing in this state is found or apprehended in another state and in taking all measures to initiate proceedings for the return of such juveniles,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The governor is hereby authorized and directed to execute a compact on behalf of this state with any other state or states legally joining therein in the form substantial as follows:

INTERSTATE COMPACT ON JUVENILES

The contracting states solemnly agree:

ARTICLE I—Findings and Purposes

That juveniles who are not under proper supervision and control, or who have absconded, escaped or run away, are likely to endanger their own health, morals and welfare, and the health, morals and welfare of others. The cooperation of the states party to this compact is therefore necessary to provide for the welfare and protection of juveniles and of the public with respect to (1) cooperative supervision of delinquent juveniles on probation or parole; (2) the return, from one state to another, of delinquent juveniles who have escaped or absconded; (3) the return, from one state to another, of non-delinquent juveniles who have run away from home; and (4) additional measures for the protection of juveniles and of the public, which any two or more of the party states may find desirable to undertake cooperatively. In carrying out the provisions of this compact the party states shall be guided by the non-criminal reformative and protective policies which guide their laws concerning delinquent, neglected or dependent juveniles generally. It shall be the policy of the states party to this compact to cooperate and observe their respective responsibilities for the prompt return and acceptance of juveniles and delinquent juveniles who become subject to the provisions of this compact. The provisions of this compact shall be reasonably and liberally construed to accomplish the foregoing purposes.

ARTICLE II—Existing Rights and Remedies

That all remedies and procedures provided by this compact shall be in addition to and not in substitution for other rights, remedies and procedures, and shall not be in derogation of parental rights and responsibilities.

ARTICLE III—Definitions

That, for the purpose of this compact, "delinquent juvenile" means any juvenile who has been adjudged delinquent and who, at the time the provisions of this compact are invoked, is still subject to the jurisdiction of the court that has made such adjudication or to the jurisdiction or supervision of an agency or institution pursuant to an order of such court; "probation or parole" means any kind of conditional release of juveniles authorized under the laws of the states party hereto; "court" means any court having jurisdiction over delinquent, neglected or dependent children; "state" means any state, territory or possession of the United States, the District of Columbia, and the Commonwealth of Puerto Rico; and "residence" or any variant thereof means a place at which a home or regular place of abode is maintained.

ARTICLE IV—Return of Runaways

(a) That the parent, guardian, person or agency entitled to legal custody of a juvenile who has not been adjudged delinquent but who has run away without the consent of such parent, guardian, person or agency may petition the appropriate court in the demanding state for the issuance of a requisition for his return. The petition shall state the name and age of the juvenile, the name of the petitioner and the basis of entitlement to the juvenile's custody, the circumstances of his running away, his location if known at the time application is made, and such other facts as may tend to show that the juvenile who has run away is endangering his own welfare or the welfare of others and is not an emancipated minor. The petition shall be verified by affidavit, shall be executed in duplicate, and shall be accompanied by two certified copies of the document or documents on which the petitioner's entitlement to the juvenile's custody is based, such as birth certificates, letter of guardianship, or custody decrees. Such further affidavits and other documents as may be deemed proper may be submitted with such petition. The judge of the court to which this application is made may hold a hearing thereon to determine whether for the purpose of this compact the petitioner is entitled to the legal custody of the juvenile, whether or not it appears that the juvenile has in fact run away without consent, whether or not his is an amancipated minor, and whether, or not it is in the best interest of the juvenile to compel his return to the state. If the judge determines, either with or without a hearing, that the juvenile should be returned, he shall present to the appropriate court or to the executive authority of the state where the juvenile is alleged to be located a written requisition for the return of such juvenile. Such requisition shall set forth the name and age of the juvenile, the determination of the court that the juvenile has run away without the consent of a parent, guardian, person or agency entitled to his legal custody, and that it is in the best interest and for the protection of such juvenile that he be returned. In the event that a proceeding for the adjudication of the juvenile as a delinquent, neglected or dependent juvenile is pending in the court at the time when such juvenile runs away, the court may issue a requisition for the return of such juvenile upon its own motion, regardless of the consent of the parent, guardian, person or agency entitled to legal custody, reciting therein the nature and circumstances of the pending proceeding. The requisition shall in every case be executed in duplicate and shall be signed by the judge. One copy of the requisition shall be filed with the compact administrator of the demanding state, there to remain on file subject to the provisions of law governing records of such court. Upon the receipt of a requisition demanding the return of a juvenile who has run away, the court or the executive authority to whom the requisition is addressed shall issue an order to any peace officer or other appropriate person directing him to take into custody and detain such juvenile. Such detention order must substantially recite the facts necessary to the validity of its issuance hereunder. No juvenile detained upon such order shall be delivered over to the officer whom the court demanding him shall have appointed to receive him, unless he shall first be taken forthwith before a judge of a court in the state, who shall inform him of the demand made for his return, and who may appoint counsel or guardian ad litem for him. If the judge of such court shall find that the requisition is in order, he shall deliver such juvenile over to the officer whom the court demanding him shall have appointed to receive him. The judge, however, may fix a reasonable time to be allowed for the purpose of testing the legality of the proceeding.

Upon reasonable information that a person is a juvenile who has run away from another state party to this compact without the consent of a parent, guardian, person or agency entitled to his legal custody, such juvenile may be taken into custody without a requisition and brought forthwith before a judge of the appropriate court who may appoint counsel or guardian ad litem for such juvenile and who shall determine after a hearing whether sufficent cause exists to hold the person, subject to the order of the court, for his own protection and welfare, for such a time not exceeding 90 days as will enable his return to another state party to this compact pursuant to a requisition for his return from a court of that state. If, at the time when a state seeks the return of a juvenile who has run away, there is pending in the state wherein he is found any criminal charge, or any proceeding to have him adjudicated a delinquent juvenile for an act committed in such state, or if he is suspected of having committed within such state a criminal offense or an act of juvenile delinquency, he shall not be returned without the consent of such state until discharged from prosecution or other form of proceeding, imprisonment, detention or supervision for such offence or juvenile delinquency. The duly accredited officers of any state party to this compact, upon the establishment of their authority and the identity of the juvenile being returned, shall be permitted to transport such juvenile through any and all states party to this compact, without interference. Upon his return to the state from which he ran away, the juvenile shall be subject to such further proceedings as may be appropriate under the laws of that state.

(b) That the state to which a juvenile is returned under this Article shall be responsible for payment of the transportation cost of such return.

(c) That "juvenile" as used in this Article means any person who is a minor under the law of the state of residence of the parent, guardian, person or agency entitled to the legal custody of such minor.

ARTICLE V—Return of Escapees and Absconders

(a) That the appropriate person or authority from whose probation or parole supervision a delinquent juvenile has absconded or from whose institutional custody he has escaped shall present to the appropriate court or to the executive authority of the state where the delinquent juvenile is alleged to be located a written requisition for the return of such delinquent juvenile. Such requisition shall state the name and age of the delinquent juvenile, the particulars of his adjudication as a delinquent juvenile, the circumstances of the breach of the terms of his probation or parole or of his escape from an institution or agency vested with his legal custody or supervision, and the location of such delinquent juvenile, if known, at the time the requisition is made. The requisition shall be verified by affidavit, shall be executed in duplicate, and shall be accompanied by two certified copies of the judgment, formal adjudication, or order of commitment which subjects such delinquent juvenile to probation or parole or to the legal custody of the institution or agency concerned. Such further affidavits and other documents as may be deemed proper may be submitted with such requisition. One copy of the requisition shall be filed with the compact administrator of the demanding state, there to remain on file subject to the provisions of law governing records of the appropriate court. Upon the receipt of a requisition demanding the return of a delinquent juvenile who has absconded or escaped, the court or the executive authority to whom the requisition is addressed shall issue an order to any peace officer or other appropriate person directing him to take into custody and detain such delinquent juvenile. Such detention order must substantially recite the facts necessary to the validity of its issuance hereunder. No delinquent juvenile detained upon such order shall be delivered over to the officer whom the appropriate person or authority demanding him shall have appointed to receive him, unless he shall first be taken forthwith before a judge or an appropriate court in the state, who shall inform him of the demand made for his return and who may appoint counsel or guardian ad litem for him. If the judge of such court shall find that the requisition is in order, he shall deliver such delinquent juvenile over to the officer whom the appropriate person or authority demanding him shall have appointed to receive him. The judge, however, may fix a reasonable time to be allowed for the purpose of testing the legality of the proceeding.

Upon reasonable information that a person is a delinquent juvenile who has absconded while on probation or parole, or escaped from an institution or agency vested with his legal custody or supervision in any state party to this compact, such person may be taken into custody in any other state party to this compact without a requisition. But in such event, he must be taken forthwith before a judge of the appropriate court, who may appoint counsel or guardian ad litem for such person and who shall determine, after a hearing, whether sufficient cause exists to hold the person subject to the order of the court for such a time, not exceeding 90 days, as will enable his detention under a detention order issued on a requisition pursuant to this Article. If, at the time when a state seeks the return of a delinquent juvenile who has either absconded while on probation or parole or escaped from an institution or agency vested with his legal custody or supervision, there is pending in the state wherein he is detained any criminal charge or any proceeding to have him adjudicated a delinquent juvenile for an act committed in such state, or if he is suspected of having committed within such state a criminal offense or an act of juvenile delinquency, he shall not be returned without the consent of such state until discharged from prosecution or other form of proceeding, imprisonment, detention or supervision for such offense or juvenile delinquency. The duly accredited officers of any state party to this compact, upon the establishment of their authority and the identity of the delinquent juvenile being returned, shall be permitted to transport such delinquent juvenile through any and all states party to this compact, without interference. Upon his return to the state from which he escaped or absconded, the delinquent juvenile shall be subject to such further proceedings as may be appropriate under the laws of that state.

(b) That the state to which a delinquent juvenile is returned under this Article shall be responsible for payment of the transportation costs of such return.

ARTICLE VI—Voluntary Return Procedure

That any delinquent juvenile who has absconded while on probation or parole, or escaped from an institution or agency vested with his legal custody or supervision in any state party to this compact, and any juvenile who has run away from any state party to this compact, who is taken into custody without a requisition in another state party to this compact under the provisions of Article IV (a) or of Article V (a), may consent to this immediate return to the state from which he absconded, escaped or ran away. Such consent shall be given by the juvenile or delinquent juvenile and his counsel or guardian ad litem if any, by executing or subscribing a writing, in the presence of a judge of the appropriate court, which states that the juvenile or delinquent juvenile and his counsel or guardian ad litem, if any, consent to this return to the demanding state. Before such consent shall be executed or subscribed, however, the judge, in the presence of counsel or guardian ad litem, if any, shall inform the juvenile or delinquent juvenile of his rights under this compact. When the consent has been duly executed, it shall be forwarded to and filed with the compact administrator of the state in which the court is located and the judge shall direct the officer having the juvenile or delinquent juvenile in custody to deliver him to the duly accredited officer or officers of the state demanding his return, and shall cause to be delivered to such officer or officers a copy of the consent. The court may, however, upon the request of the state to which the juvenile or delinquent juvenile is being returned, order him to return unaccompanied to such state and shall provide him with a copy of such court order; in such event a copy of the consent shall be forwarded to the compact administrator of the state to which said juvenile or delinquent juvenile is ordered to return.

ARTICLE VII—Cooperative Supervision of Probationers and Parolees

(a) That the duly constituted judicial and administrative authorities of state party to this compact (herein called "sending state") may permit any delinquent juvenile within such state, placed on probation or parole, to reside in any other state party to this compact (herein called "receiving state") while on probation or parole, and the receiving state shall accept such delinquent juvenile, if the parent, guardian or person entitled to the legal custody of such delinquent juvenile is residing or undertakes to reside within the receiving state. Before granting such permission, opportunity shall be given to the receiving state to make such investigations as it deems necessary. The authorities of the sending state shall send to the authorities of the receiving state copies of pertinent court orders, social case studies and all other available information which may be of value to and assist the receiving state in supervising a probationer or parolee under this compact. A receiving state, in its discretion, may agree to accept supervision of a probationer or parolee in cases where the parent, guardian or person entitled to the legal custody of the delinquent juvenile is not a resident of the receiving state, and if so accepted the sending state may transfer supervision accordingly.

(b) That each receiving state will assume the duties of visitation and of supervision over any such delinquent juvenile and in the exercise of those duties will be governed by the same standards of visitation and supervision that prevail for its own delinquent juveniles released on probation or parole.

(c) That, after consultation between the appropriate authorities of the sending state and of the receiving state as to the desirability and necessity of returning such a delinquent juvenile, the duly accredited officers of a sending state may enter a receiving state and there apprehend and retake any such a delinquent juvenile on probation or parole. For that purpose, no formalities will be required, other than establishing the authority of the officer and the identity of the delinquent juvenile to be retaken and returned. The decision of the sending state to retake a delinquent juvenile on probation or parole shall be conclusive upon and not reviewable within the receiving state, but if, at the time the sending state seeks to retake a delinquent juvenile on probation or parole, there is pending against him within the receiving state any criminal charge or any proceeding to have him adjudicated a delinquent juvenile for any act committed in such state, or if he is suspected of having committed within such state a criminal offense or an act of juvenile delinquency, he shall not be returned without the consent of the receiving state until discharged from prosecution or other form of proceeding, imprisonment, detention or supervision for such offense or juvenile delinquency. The duly accredited officers of the sending state shall be permitted to transport delinquent juveniles being so returned through any and all states party to this compact, without interference.

(d) That the sending state shall be responsible under this Article for paying the costs of transporting any delinquent juvenile to the receiving state or of returning any delinquent juvenile to the sending state.

ARTICLE VIII—Responsibility for Costs

(a) That the provisions of Articles IV (b), V (b) and VII (d) of this compact shall not be construed to alter or affect any internal relationship among the departments, agencies and officers of and in the government of a party state, or between a party state and its subdivisions, as to the payment of costs, or responsibilities therefor.

(b) That nothing in the compact shall be construed to prevent any party state or subdivision thereof from asserting any right against any person, agency or other entity in regard to costs for which such party state or subdivision thereof may be responsible pursuant to Articles IV (b), V (b) or VII (d) of this compact.

ARTICLE IX—Detention Practices

That, to every extent possible, it shall be the policy of states party to this compact that no juvenile or delinquent juvenile shall be placed or detained in any prison, jail or lockup nor be detained or transported in association with criminal, vicious or dissolute persons.

ARTICLE X—Supplementary Agreements

That the duly constituted administrative authorities of a state party to this compact may enter into supplementary agreements with any other state or states party hereto for the cooperative care, treatment and rehabilitation of delinquent juveniles whenever they shall find that such agreements will improve the facilities or programs available for such care, treatment and rehabilitation. Such care, treatment and rehabilitation may be provided in an institution located within any state entering into such supplementary agreement. Such supplementary agreements shall (1) provide the rates to be paid for the care, treatment and custody of such delinquent juveniles, taking into consideration the character of facilities, services and subsistence furnished; (2) provide that the delinquent juvenile shall be given a court hearing prior to his being sent to another state for care, treatment and custody; (3) provide that the state receiving such a delinquent juvenile in one of its institutions shall act solely as agent for the state sending such delinquent juvenile; (4) provide that the sending state shall at all times retain jurisdiction over delinquent juvenile sent to an institution in another state; (5) provide for reasonable inspection of such institutions by the sending state; (6) provide that the consent of the parent, guardian, person or agency entitled to the legal custody of said delinquent juvenile shall be secured prior to his being sent to another state; and (7) make provision for such other matters and details as shall be necessary to protect the rights and equities of such delinquent juveniles and of the cooperating states.

ARTICLE XI—Acceptance of Federal and Other Aid

That any state party to this compact may accept any and all donations, gifts and grants of money, equipment and services from the federal or any local government, or any agency thereof and from any person, firm or corporation, for any of the purposes and functions of this compact, and may receive and utilize the same subject to the terms, conditions and regulations governing such donations, gifts and grants.

ARTICLE XII—Compact Administrators

That the governor of each state party to this compact shall designate an officer who, acting jointly with like officers of other party states, shall promulgate rules and regulations to carry out more effectively the terms and provisions of this compact.

ARTICLE XIII—Execution of Compact

That this compact shall become operative immediately upon its execution by any state as between it and any other state or states so executing. When executed it shall have the full force and effect of law within such state, the form of execution to be in accordance with the laws of the executing state.

ARTICLE XIV—Renunciation

That this compact shall continue in force and remain binding upon each executing state until renounced by it. Renunciation of this compact shall be by the same authority which executed it, by sending six months' notice in writing of its intention to withdraw from the compact to the other states party hereto. The duties and obligations of a renouncing state under Article VII hereof shall continue as to parolees and probationers residing therein at the time of withdrawal until retaken or finally discharged. Supplementary agreements entered into under Article X hereof shall be subject to renunciation as provided by such supplementary agreements, and shall not be subject to the six months' renunciation notice of the present Article.

ARTICLE XV—Severability

That the provisions of this compact shall be severable and if any phrase, clause, sentence or provision of this compact is declared to be contrary to the constitution of any participating state or of the United States or the applicability thereof to any government, agency, person or circumstance is held invalid, the validity of the remainder of this compact and the applicability thereof to any government, agency, person or circumstances shall not be affected thereby. If this compact shall be held contrary to the constitution of any state participating therein, the compact shall remain in full force and effect as to the remaining states and in full force and effect as to the state affected as to all severable matters.

Section 1. **Juvenile Compact Administrator.** Pursuant to said compact, the governor is hereby authorized and empowered to designate an officer who shall be the compact administrator and who, acting jointly with like officers of other party states, shall promulgate rules and regulations to carry out more effectively the terms of the compact. Said compact administrator shall serve subject to the pleasure of the governor. The compact administrator is hereby authorized, empowered and directed to cooperate with all departments, agencies and officers of and in the government of this state and its subdivisions in facilitating the proper administration of the compact or of any supplementary agreement or agreements entered into by this thereunder.

Section 2. **Supplementary Agreements.** The compact administrator is hereby authorized and empowered to enter into supplementary agreements with appropriate offices of other states pursuant to the compact. In the event that such supplementary agreement shall require or contemplate the use of any institution or facility of this state or require or contemplate the provision of any service by this state, said supplementary agreement shall have no force or effect until approved by the head of the department or agency under whose jurisdiction said institution or facility is operated or whose department or agency will be charged with the rendering of such service.

Section 3. **Financial Arrangements.** The compact administrator, subject to the approval of the Commissioner of Finance, may make or arrange for any payments necessary to discharge any financial obligations imposed upon this state by the compact or by any supplementary agreement entered into thereunder.

Section 4. **Responsibilities of State Departments, Agencies and Officers.** The courts, departments, agencies and officers of this state and its subdivisions shall enforce this compact and shall do all things appropriate to the effectuation of its purposes and intent which may be within their respective jurisdictions.

Section 5. **Additional Procedures Not Precluded.** In addition to any procedure provided in Articles IV and VI of the compact for the return of any runaway juvenile, the particular states, the juvenile or his parents, the courts, or other legal custodian involved may agree upon and adopt any other plan or procedure legally authorized under the laws of this state and the other respective party states for the return of any such runaway juvenile.

Section 6. **Execution of Additional Article.** The governor is further authorized and directed to execute, with any other state or states legally joining in the same, an additional article to said compact in the form substantially as follows:

That this article shall provide additional remedies, and shall be binding only as among and between those party states which specifically execute the same.

For the purposes of this article, "child," as used herein, means any minor within the jurisdictional age limits of any court in the home state.

When any child is brought before a court of a state of which such child is not a resident, and such state is willing to permit such child's return to the home state of such child, such home state, upon being so advised by the state in which such proceeding is pending, shall immediately institute proceedings to determine the residence and jurisdictional facts as to such child in such home state, and upon finding that such child is in fact a resident of said state and subject to the jurisdiction of the court thereof, shall within five days authorize the return of such child to the home state, and to the parent or custodial agency legally authorized to accept such custody in such home state, and at the expense of such home state, to be paid from such funds as such home state may procure, designate, or provide, prompt action being of the essence.

Section 7. **Execution of Amendment.** The governor is further authorized and directed to execute, with any other state or states legally joining in the same, an amendment to said compact in the form substantially as follows:

Amendment to the Interstate Compact on Juveniles, Concerning Interstate Rendition of Juveniles Alleged to be Delinquent

(a) This amendment shall provide additional remedies, and shall be binding only as among and between those party states which specifically execute the same.

(b) All provisions and procedures of Article V and VI of the Interstate Compact on Juveniles shall be construed to apply to any juvenile charge with being a delinquent by reason of a violation of any criminal law. Any juvenile, charged with being a delinquent by reason of violating any criminal law shall be returned to the requesting state upon a requisition to the state where the juvenile may be found. A petition in such case shall be filed in a court of competent jurisdiction in the requesting state where the violation of criminal law is alleged to have been committed. The petition may be filed regardless of whether the juvenile has left the state before or after the filing of the petition. The requisition described in Article V of the compact shall be forwarded by the judge of the court in which the petition has been filed.

Committee substitute for **SB 102**, AN ACT relating to higher education.

WHEREAS, there is a serious need for the creation of an extension center of the University of Kentucky in Hardin County, for the purpose of alleviating the serious shortage of trained teachers within the Commonwealth, and to carry more fully into effect the provisions of Section 183 of the Constitution of Kentucky, by affording to the teachers and students of central Kentucky such training in the common school system, in the science and art of teaching, and in other areas as may be deemed necessary and advisable, as will enable them to improve and render more efficent the administration of the common school system and raise the standards of instruction therein throughout the Commonwealth;

WHEREAS, there are now established five off-campus centers of the University of Kentucky at Covington, Ashland, Cumberland, Henderson, and Fort Knox, and the establishment of other institutions is under consideration;

WHEREAS, a number of communities have indicated an interest in having a junior college or an off-campus center located in these communities;

WHEREAS, Kentucky's desires for the strengthening and improving of education must be approached in an effective and efficient manner;

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. There shall be established and maintained an extension center of the University of Kentucky in the City of Elizabethtown, Kentucky, or the environs thereof, to be known as the "Elizabethtown Extension Center." The "Elizabethtown Extension Center" shall be maintained and operated in the same manner as the other extension centers presently maintained by the University of Kentucky.

Section 2. There may be appointed an advisory board for each extension center maintained by the University of Kentucky. The boards shall be appointed by the Governor to advise the Board of Trustees of the University of Kentucky in the operation of the centers.

Section 3. There is hereby created a Commission of five qualified persons appointed by the Governor to study the need for and placement of additional universities, colleges, junior colleges and off-campus centers which might best serve the Commonwealth, the types of programs they should encompass and the organizational pattern which would best insure their continuing contribution to the Commonwealth and the particular area served. The Commission will report to the Governor on or before July 1, 1961, in order that sufficient planning may be completed prior to the meeting of the 1962 General Assembly.

Introduction of Bills

HB 545, by Representatives Lowman and Moloney: AN ACT amending Section 212.720, Kentucky Revised Statutes, relating to local public health.

HB 546, by Representative Murphy: AN ACT relating to voters.

Representative Young moved to adjourn until 10:00 A.M., March 15.

On the roll call, the vote was yeas 38—Alexander, Brizendine, Burress, C. C. Carter, Castle, Caudill, Chumbler, Clark, Cook, Cowherd, Crecelius, Dexter, Dobyns, Fern, Garner, Griffin, Hahn, Hall, Hampton, Hardin, Hays, Hinkle, Hopkins, Lyon, C. H. Martin, Moloney, Neel, Nolan, Osborn, Rayburn, Reynolds, Roberts, Stidham, Summe, Tanner, Wathen, G. T. White, Young. Nays 37—Barton, Colley, Cornett, Cottengim, Davis, Dean, Denham, Dowell, Edmunds, Ellis, Faulkner, Haley, Harris, Henry, Hill, Hislope, Houtchens, Irick, Lankford, Lovins, Ben Martin, Miles, Moorman, Fred Morgan, Murphy, Ostertag, Peniston, Render, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Treas, John E. White, Wood.

The motion to adjourn was agreed.

FIFTY-SEVENTH LEGISLATIVE DAY

TUESDAY, MARCH 15, 1960

The House was called to order by the Speaker.

Invocation by Reverend C. C. Richardson of the St. John African Methodist Episcopal Church of Frankfort.

The roll was called. All present except Representatives Farmer, Fitzpatrick, Hahn, Harris, Osting, and Tanner, who were granted leave of absence on motion by Representative Lyon.

Reading of Journal for March 14, dispensed with and the same approved on motion of Representative Isler.

Senate Message

Announcing passage of **SB 206, SB 237, SB 269, SB 271, SB 272, SB 273, SB 274, SB 113, SB 256, SB 187** and **HB 109.**

Motions, Petitions and Communications

Representative Ray moved to concur in the following Senate amendment to **HB 179:**

"Amend printed copy of House Bill 179 on page 2, Subsection (b) of Section 2, line 15, ... by inserting after (b) 1. the following:

"Any perpetual or endowment care cemetery hereafter established shall also have deposited in its endowment care fund the following additional sums before disposing of any plot or space or making any sale thereof:" Agreed.

On the roll call, the vote was yeas 82—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, Earl Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Paul Cornett, Cottengim, Cowherd, Crecelius, Davis, Dean, Denham, Dowell, Ellis, Fern, Fields, Ford, Garner, Griffin, Hahn, Haley, Hall, Hampton, Hays, Henry, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, L. F. Morgan, Murphy, Neel, Nichols, Nolan, Osborn, Ostertag, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Reynolds, Roberts, Robinson, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood. Nays 0. **HB 179** was passed and the title agreed to.

Representative Ray moved to concur in the following Senate Amendment to **HB 274:**

"Amend printed copy of House Bill 274 by amending the title thereof as follows: After the word "machines" strike the period and substitute therefor a comma and add the following words thereafter: "and declaring an emergency." "Amend printed copy of House Bill 274 on page 10 by adding an additional section as follows: "Section 14. WHEREAS, it is deemed essential to proceed immediately towards the elimination of the antiquated manner in which elections are now being conducted in many parts of this state, an emergency is declared to exist and this act shall take effect immediately upon its passage and signature by the Governor." Agreed.

On the roll call, the vote was yeas 72—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, Earl Carter, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Cottengim, Cowherd, Crecelius, Davis, Dean, Denham, Dowell, Ellis, Fern, Fields, Ford, Hahn, Haley, Hampton, Hays, Henry, Hinkle, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, C. H. Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, L. F. Morgan, Murphy, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Peniston, Quinn, Rausch, Ray, Render, Reynolds, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Summe, Treas, Tucker, G. T. White, J. E. White, Wood. Nays 14—C. C. Carter, Castle, Paul Cornett, Faulkner, Garner, Griffin, Hall, Hardin, Hardwick, Hill, Hislope, Qualls, Rayburn, Spurrier. **HB 274** was passed and the title agreed to.

Representative Ray moved to concur in the following Senate amendment to **HB 264:**

"Amend printed copy of House Bill 264 on page 3, Section 5, Line 5 by deleting the word "shall" and inserting in lieu thereof the word "may". Agreed.

On the roll call, the vote was yeas 75—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, Castle, Childress, Chumbler, Clark, Cole, Colley, Paul Cornett, Cottengim, Cowherd, Crecelius, Davis, Dean, Dowell, Edmunds, Ellis, Faulkner, Fern, Fields, Ford, Griffin, Hahn, Haley, Hall, Hampton, Hardin, Hays, Henry, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, L. F. Morgan, Murphy, Neel, Nolan, Osborn, Ostertag, Osting, Peniston, Qualls, Quinn, Rausch, Render, Reynolds, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Treas, Tucker, G. T. White, J. E. White, Wood. Nays 1—Cook. **HB 264** was passed and the title agreed to.

HR 121, by Representative Hall:

HR 121, A CONCURRENT RESOLUTION requesting the Division of Parks of the Department of Conservation to establish a state park on the top of Pine Mountain in Eastern Kentucky.

WHEREAS, the well-known depressed economic condition of

Eastern Kentucky renders desirable the development of any practicable means for implementing its economic betterment through its own natural resources; and

WHEREAS, Tourism has received the widest possible recommendation by the government and its appointed commissions and committees as a prime means of bringing this about; and

WHEREAS, a tract of land in excess of one square mile has already been procured and deeded to the Commonwealth of Kentucky, and merely awaits acceptance by the state for the purpose of commencing development as a major state park; and

WHEREAS, this scenic territory, rich in natural attributes, lies centrally located between the two nearest major state park areas, in one direction Pine Mountain State Park and Cumberland Gap National Park near Pineville and Middlesboro, and in the other direction the Breaks Interstate Park at Elkhorn City, a distance of one hundred sixty miles or more; and

WHEREAS, said needed potential park lies between two other vast state preserves, the one being a state forest preserve of 3,600 acres in Harlan County near Putney, Kentucky, and the other being a state game preserve of 12,500 acres commencing at the Harlan-Letcher County line and lying in Letcher County, vastly increasing its potential drawing power for tourists as well as local inhabitants; and

WHEREAS, the Ravens Rock Park Area has already been approved in a preliminary engineering survey by a state-designated engineer in a brochure drawn up and presented to the Department of Conservation, as a most feasible and suitable site for development as a major state park; and

WHEREAS, the many natural assets of the Ravens Rock Park Area number not only vistas of a sweep and grandeur as awe-inspiring as any in this portion of the United States, but also natural formations of international interest, since Pine Mountain is unique in the United States and has only one similar geologic formation in the world, in Africa, and is an attraction to geologists and students from far and wide; and in addition include numerous caves of immense ramifications extending for unexplored miles into the depths of Pine Mountain, through one of which runs an underground stream of undetermined great length and much purity; and

WHEREAS, the Ravens Rock Park Area is associated richly with local folklore and legend, such as the fabulous tale of Captain Swift's lost silver mine, and the depredations of the half-breed renegade Simon Benge; and such features as Bear-Trap Rock, King and Queen's chairs, Devil's Toe Nail, Log Rock, Fat Man's Misery, Echo Holler, Raven's Nest Falls, many-colored sands in the large cavern at the base of Raven's Rock; a large natural amphitheater; and a site for a large lake for swimming and fishing; as well as many other features, too numerous to mention; and

WHEREAS, an eventual sky-line drive along the top of Pine Mountain would be enhanced in feasibility by thus furthering the acquisition of adjoining lands, and would be a major tourist attraction to this part of the state of Kentucky;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate Concurring therein:

Section 1. That the Department of Parks be and hereby is requested to give all possible consideration to the establishment of a state park on top of Pine Mountain, on Highway 119, between Whitesburg and Cumberland, at the site currently designated as Raven's Rock.

Representative Hall moved to adopt **HR 121**. Agreed.

Representative Moloney moved that the vote by which **HB 497** was passed be reconsidered. Representative Wathen moved that Moloney motion be laid on table.

On the roll call to table reconsideration, the vote was yeas 21—Alexander, C. C. Carter, Clark, Cook, Crecelius, Davis, Edmunds, Hall, Hardwick, Hays, Hislope, Miles, Fred Morgan, Neel, Nolan, Parrish, Peniston, Spurrier, Wathen, J. E. White, Wood. Nays 54 — Bates, Baumgardner, Brizendine, Buckman, Castle, Childress, Chumbler, Cole, Colley, Cottengim, Cowherd, Denham, Dexter, Ellis, Faulkner, Fern, Fields, Griffin, Hahn, Haley, Hampton, Hardin, Henry, Hinkle, Hopkins, Houtchens, Irick, Lankford, Lyon, Ben Martin, C. H. Martin, Miller, Moloney, Moorman, Luther F. Morgan, Nichols, Osting, Qualls, Quinn, Ray, Rayburn, Render, Reynolds, Robinson, Slusher, Albert C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Treas, Tucker, Young. The motion to table the motion to reconsider **HB 497** was rejected.

On the roll call to reconsider, the vote was yeas 57 — Bates, Baumgardner, Brizendine, Buckman, Childress, Chumbler, Cole, Colley, Cottengim, Cowherd, Denham, Dexter, Dobyns, Dowell, Fern, Fields, Griffin, Hahn, Haley, Hampton, Henry, Hill, Hinkle, Houtchens, Hopkins, Irick, Lankford, Lyon, Ben Martin, C. H. Martin, Miller, Moloney, Moorman, L. F. Morgan, Murphy, Nichols, Osborn, Ostertag, Osting, Qualls, Quinn, Ray, Rayburn, Render, Reynolds, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Tanner, Treas, Tucker, Young. Nays 25—Alexander, Barton, C. C. Carter, Castle, Clark, Cook, Cornett, Crecelius, Davis, Edmunds, Ellis, Faulkner, Garner, Hall, Hays, Hislope, Fred Morgan, Neel, Nolan, Parrish, Peniston, Spurrier, Wathen, G. T. White, Wood. The motion to reconsider **HB 497** was adopted.

Representative Ray moved to defer action on **HB 109.** Agreed.

Representative Wathen moved to adopt **HR 80.**

Representative Cottengim moved to amend **HR 80** as follows: "Amend printed copy of **HR 80** on page 2, section 3, lines 12, 13 by deleting the words "a pro rata basis of the amounts authorized to be paid them by KRS 6.230." and inserting in lieu thereof the words "on an equal basis". Agreed. "Amend printed copy of **HR 80** on page 2, section 2, lines 9, 10, 11 by deleting the words "a pro rata basis of the amounts authorized to be paid them by KRS 6.230" and inserting in lieu thereof the words "on an equal basis". Agreed. "Amend printed copy of **HR** 80 on page 1, section 1, line 6 by adding after the word "Pages" the words, "Capitol employes". Agreed. "Amend printed copy of **HR** 80 on page 1, section 1, lines 7-8 by deleting "twenty thousand, four hundred and twenty-four dollars ($20,424.00)" and inserting in lieu thereof $23,088.00". Agreed.

On the roll call, the vote was yeas 65—Barton, Bates, Baumgardner, Brizendine, Buckman, Earl Carter, Castle, Caudill, Childress, Chumbler, Clark, Colley, Paul Cornett, Cottengim, Davis, Dean, Dexter, Dobyns, Dowell, Edmunds, Ellis, Fern, Fields, Griffin, Hahn, Haley, Hall, Hardin, Henry, Hinkle, Hislope, Houtchens, Hopkins, Irick, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, L. F. Morgan, Murphy, Neel, Osborn, Ostertag, Osting, Peniston, Qualls, Quinn, Rayburn, Render, Reynolds, Slusher, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 4—Alexander, Hill, Nichols, Tanner. **HR** 80 was passed and the title agreed to.

HR 122, by Representative Garner:

HR 122, A RESOLUTION commending the basketball team of Clinton County High School.

WHEREAS, the basketball team of Clinton County High School has earned a record of twenty-two games won to only four games lost during the recent basketball season; and

WHEREAS, the same team has been victorious in every game in the District and Regional High School Basketball Tournaments, thereby gaining a position in the Kentucky High School Basketball Tournament; and

WHEREAS, this is the first team from Clinton County High School in the last thirty-nine years to go to the state high school tournament;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the basketball team of Clinton County High School be, and it hereby is, commended by the House of Representatives for its magnificient record.

Section 2. That the Clerk of the House of Representatives be directed to forward copies of this Resolution to each member of the team, their coach, and the superintendent of schools of Clinton County.

Representative Garner moved to adopt **HR 122. Agreed.**

HR 123, by Representative Osborn:

HR 123, A CONCURRENT RESOLUTION relating to establishing a study commission for junior colleges or off-campus centers.

WHEREAS, the number of students seeking college education opportunities is increasing rapidly in Kentucky, and will continue to increase markedly in the decade to come;

WHEREAS, public institutions of higher education are now becoming more and more crowded, to the extent that in future years considerable expansion in both personnel and facilities will be necessary;

WHEREAS, many stakes have moved in the direction of the establishment of junior colleges or off-campus centers in an effort to bring educational opportunities closer to the youth seeking these opportunities;

WHEREAS, such junior colleges or off-campus centers are less expensive to the state to build and operate, since such features of the four-year residential institution as dormitories, athletic facilities, and highly specialized laboratories are not needed;

WHEREAS, students attending the junior colleges or off-campus centers can live at home and thus secure the first two years of their higher education at a greatly reduced cost;

WHEREAS, Kentucky's desires for the strengthening and improving of education must be approached in an effective and efficient manner;

WHEREAS, there are now established five off-campus centers of the University of Kentucky at Covington, Ashland, Cumberland, Henderson, and Fort Knox, and the establishment of two other institutions (one at Elizabethtown and the other at Somerset) is under serious consideration;

WHEREAS, the economic development of the Commonwealth of Kentucky depends upon the extent and quality of education provided for its citizens;

WHEREAS, a number of communities have indicated an interest in having a junior college or an off-campus center located in these communities;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

That the Governor be requested to appoint a Commission of five qualified persons to study the placement of such educational facilities, the number which might best serve the Commonwealth, the types of programs which they should encompass, and the organizational pattern which would best insure their continuing contribution to the Commonwealth and the particular area served. This Commission will report to the Governor of the Commonwealth on or before July 1, 1961 in order that sufficient planning may be completed prior to the meeting of the 1962 General Assembly.

Representative Osborn moved to adopt **HR 123.** Agreed.

Representative Ray moved that the House refuse to concur in the following Senate amendment to **HB 109:**

"Amend printed copy of **HB 109** on page 2, line 30 by adding the following: Section 2. Section 278.130 of the Kentucky Revised Statutes is amended to read as follows: (1) For the purpose of maintaining the Public Service Commission, including the payment of salaries and all other expenses, and the cost of regulation of the utilities subject to its jurisdiction, the Commission shall each year assess the necessary amount upon all utilities except sanitation districts established pursuant to KRS Chapter 220 in the proportion to their gross earnings or receipts derived from intrastate business in Kentucky for the preceding calendar year, and shall notify each utility on or before May 31 of the amount assessed against it. The total amount so assessed shall not in any year exceed $250,000, and the sum paid by each utility shall not be less than $5 in any one year. (2) The assessments provided for in this section shall be in lieu of all other fees or assessments levied by any city or other political subdivision for the control or regulation of utilities." The House refused to concur.

The Speaker vacated the Chair, and Fred Morgan presided.

Representative Hill moved that the House express appreciation of the unselfish dedication of professional educators to improve the quality of education in the state.

Orders of the Day

HB 516 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 69—Alexander, Barton, Bates, Baumgardner, Buckman, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Dowell, Edmunds, Ellis, Faulkner, Fields, Ford, Garner, Hahn, Haley, Hampton, Hardin, Harris, Henry, Hinkle, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, L. F. Morgan, Murphy, Nichols, Osborn, Parrish, Peniston, Qualls, Quinn, Ray, Rayburn, Render, Roberts, Robinson, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Tanner, Tucker, G. T. White, J. E. White, Wood. Nays 0. **HB 516** was passed and the title agreed to.

HB 517 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 70—Alexander, Barton, Bates, Buckman, C. C. Carter, Castle, Childress, Chumbler, Cole, Colley, Paul Cornett, Cowherd, Crecelius, Davis, Dean, Dexter, Dobyns, Dowell, Edmunds, Ellis, Faulkner, Fields, Ford, Garner, Hahn, Haley, Hall, Hampton, Hays, Henry, Hill, Hinkle, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Moloney, L. F. Morgan, Murphy, Nichols, Osborn, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Ray, Rayburn, Render, Reynolds, Slusher, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White, Wood. Nays 0—**HB 517** was passed and the title agreed to.

HB 518 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 72—Barton, Bates, Baumgardner, Buckman, C. C. Carter, Castle, Caudill, Childress, Cole, Colley, Cowherd, Crecelius, Davis, Dean, Dexter, Dobyns, Dowell, Edmunds, Ellis, Faulkner, Fields, Ford, Garner, Hahn, Haley, Hall, Hampton, Hays, Henry, Hill, Hinkle, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, L. F. Morgan, Murphy, Nichols, Nolan, Osborn, Ostertag, Osting, Peniston, Qualls, Ray, Rayburn, Render, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White, Wood, Young. Nays 0. **HB 518** was passed and the title agreed to.

HB 519 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 75—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, Earl Carter, Castle, Childress, Chumbler, Clark, Cole, Colley, Paul Cornett, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Faulkner, Fields, Ford, Garner, Hahn, Haley, Hampton, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Murphy, Nichols, Nolan, Osborn, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Ray, Rayburn, Render, Reynolds, Roberts, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Treas, Tucker, G. T. White, J. E. White, Wood. Nays 0. **HB 519** was passed and the title agreed to.

HB 520 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 74—Alexander, Barton, Bates, Baumgardner, Buckman, C. C. Carter, Earl Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Paul Cornett, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Faulkner, Fields, Ford, Garner, Hahn, Haley, Hall, Hays, Henry, Hinkle, Houtchens, Hopkins, Irick, Isler, Lankford, Ben Martin, C. H. Martin, Miles, Miller, Moloney, L. F. Morgan, Murphy, Neel, Nichols, Osborn, Ostertag, Osting, Parrish, Peniston, Qualls, Ray, Render, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Spurrier, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White. Nays 0. **HB 520** was passed and the title agreed to.

The Speaker resumed the Chair.

HB 521 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 77—Alexander, Barton, Baumgardner, Buckman, C. C. Carter, Earl Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ford, Garner, Hahn, Haley, Hall, Hampton, Hardin, Hays, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, L. F. Morgan, Murphy, Neel, Nichols, Nolan, Osborn, Ostertag, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Reynolds, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Steiger, Stidham, Summe, Tanner, Tucker, G. T. White, J. E. White, Wood. Nays 0. **HB** 521 was passed and the title agreed to.

HB 522 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 72—Barton, Baumgardner, Buckman, C. C. Carter, Earl Carter, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cottengim, Cowherd, Crecelius, Davis, Dean, Dexter, Dobyns, Dowell, Edmunds, Ford, Hahn, Haley, Hall, Hampton, Hardin, Henry, Hinkle, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, L. F. Morgan, Murphy, Neel, Nichols, Nolan, Osborn, Ostertag, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Reynolds, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White, Wood. Nays 3—Castle, Garner and Hislope. **HB** 522 was passed and the title agreed to.

HB 523 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 70—Alexander, Barton, Baumgardner, Buckman, Earl Carter, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cottengim, Cowherd, Crecelius, Davis, Dean, Dexter, Dobyns, Dowell, Edmunds, Faulkner, Ford, Garner, Hahn, Haley, Hampton, Hardin, Hays, Henry, Hinkle, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Ben Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, L. F. Morgan, Murphy, Neel, Nichols, Ostertag, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Reynolds, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Steiger, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White, Wood. Nays 0. **HB** 523 was passed and the title agreed to.

HB 529 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 77—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Paul Cornett, Cowherd, Crecelius, Davis, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Ford, Garner, Griffin, Hahn, Haley, Hardin, Hays, Henry, Hinkle, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, L. F. Morgan, Murphy, Neel, Nichols, Nolan, Osborn, Ostertag, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Reynolds, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Steiger, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White, Wood. Nays 0. **HB 529** was passed and the title agreed to.

HB 500 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 45—Bates, Baumgardner, Earl Carter, Castle, Caudill, Childress, Colley, Cottengim, Crecelius, Dean, Dexter, Faulkner, Ford, Garner, Hahn, Haley, Hardin, Hill, Hinkle, Hopkins, Isler, Lovins, Ben Martin, Miles, Miller, Moorman, L. F. Morgan, Murphy, Nichols, Osborn, Ostertag, Parrish, Peniston, Qualls, Ray, Render, Reynolds, Robinson, Slusher, A. C. Smith, J. D. Smith, Stacy, Stidham, Summe, Tanner. Nays 17—Alexander, Brizendine, Cook, Cornett, Denham, Dobyns, Ellis, Hall, Hays, Hislope, Irick, Nolan, Spurrier, Glen T. White, John E. White, Wood and Young. **HB 500** was rejected.

HB 514 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 11—Colley, Faulkner, Griffin, Hall, Hardwick, Hays, Ben Martin, Moorman, Neel, Robinson, Stacy. Nays 41—Alexander, Barton, Bates, Brizendine, Buckman, Charles C. Carter, Chumbler, Clark, Cowherd, Crecelius, Dean, Dexter, Edmunds, Ellis, Garner, Haley, Hampton, Hardin, Henry, Hill, Hinkle, Lankford, Lovins, Lyon, C. H. Martin, Fred Morgan, Nichols, Parrish, Peniston, Render, Reynolds, Roberts, Slusher, Albert C. Smith, Virgil Smith, Spurrier, Summe, Treas. Tucker, Glen T. White and Young. **HB 514** was rejected.

Representative Qualls moved to suspend Rules to reconsider vote by which **HB 500** passed. Agreed.

On the roll call, the vote was yeas 44—Bates, Baumgardner, Buckman, Earl Carter, Caudill, Childress, Cole, Cook, Paul Cornett, Cottengim, Dean, Dexter, Faulkner, Hahn, Haley, Hardin, Hays, Henry, Hill, Houtchens, Hopkins, Isler, Lovins, Lyon, Miller, Moorman, L. F. Morgan, Murphy, Neel, Nichols, Osting, Peniston, Qualls, Quinn, Rausch, Rayburn, Render, Roberts, Slusher, A. C. Smith, J. D. Smith, Stacy, Tanner, Wathen. Nays 15—Alexander, Brizendine, C. Carter, Crecelius, Dobyns, Dowell, Edmunds, Ellis, Garner, Hinkle, Hislope, Ostertag, Parrish, Summe, and Young. The motion to reconsider **HB 500** was rejected.

HB 531 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 84—Alexander, Barton, Bates, Baumgardner, Brizendine, C. C. Carter, Earl Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Paul Cornett, Cottengim, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Faulkner, Fields, Ford, Garner, Hahn, Haley, Hall, Hampton, Harris, Hays, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, C. H. Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, L. F. Morgan, Murphy, Neel, Nichols, Nolan, Ostertag, Osting, Parrish, Peniston, Quinn, Rausch, Render, Roberts, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Spurrier, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 0. **HB 531** was passed and title agreed to.

Representative Fred Morgan moved that the Speaker appoint a committee to meet with a like Senate Committee to draw up an appropriate memorial for the late Rhodes K. Myers. Agreed. The Speaker appointed the following committee: Representatives Tucker, Fred Morgan, Young, Moloney, Hampton, and Rayburn.

HB 504 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 72—Alexander, Barton, Baumgardner, Brizendine, Castle, Caudill, Childress, Chumbler, Cole, Colley, Cook, Cottengim, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Faulkner, Fields, Ford, Hahn, Haley, Hall, Harris, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lyon, Ben Martin, C. H. Martin, Miles, Moloney, Moorman, L. F. Morgan, Murphy, Neel, Nolan, Ostertag, Parrish, Peniston, Qualls, Ray, Rayburn, Render, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Spurrier, Stacy, Steiger, Summe, Treas, Tucker, G. T. White, J. E. White, Wood, Young. Nays 1—Osting. **HB 504** was passed and the title agreed to.

HB 467 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 61—Barton, Brizendine, Earl Carter, Castle, Childress, Clark, Cole, Colley, Cook, Paul Cornett, Cottengim, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Edmunds, Ellis, Farmer, Fields, Ford, Garner, Hahn, Haley, Hall, Hardin, Harris, Hays, Hinkle, Hislope, Irick, Isler, Lankford, Lyon, Miller, Moloney, Moorman, L. F. Morgan, Murphy, Neel, Nichols, Nolan, Osborn, Ostertag, Parrish, Peniston, Ray, Render, Roberts, Robinson, Slusher, J. D. Smith, Stacy, Summe, Tanner, Tucker, Wathen, G. T. White, Wood, Young. Nays 3—Hill, Houtchens, Albert C. Smith. **HB 467** was passed and the title agreed to.

HB 390 taken from Orders of the Day, on recommendation of the Rules Committe, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 54—Alexander, C. C. Carter, Earl Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Cottengim, Cowherd, Crecelius, Davis, Dexter, Dobyns, Dowell, Ellis, Farmer, Fields, Garner, Hahn, Haley, Hardin, Hays, Henry, Hill, Hinkle, Hopkins, Irick, Isler, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Moorman, L. F. Morgan, Murphy, Nolan, Osborn, Ostertag, Parrish, Peniston, Qualls, Ray, Rayburn, Robinson, Slusher, A. C. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Tanner. Nays 6—Brizendine, Denham, Griffin, Hislope, Spurrier and Wathen. **HB 390** was passed and the title agreed to.

HB 499 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 58—Alexander, Bates, C. C. Carter, Caudill, Clark, Cole, Cook, Paul Cornett, Cottengim, Cowherd, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Fields, Ford, Garner, Hahn, Haley, Harris, Hays, Henry, Hill, Hinkle, Houtchens, Hopkins, Irick, Isler, Lovins, Lyon, Ben Martin, C. H. Martin, Moloney, Moorman, L. F. Morgan, Murphy, Nichols, Nolan, Osborn, Ostertag, Parrish, Peniston, Qualls, Rayburn, Render, Robinson, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Tanner, Tucker, G. T. White, J. E. White, Wood. Nays 1—Summe. **HB 499** was passed and the title agreed to.

Senate Message

Announcing passage of **SB 197** and **SB 280.**

Orders of the Day

HB 460 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 82—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Paul Cornett, Cottengim, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Faulkner, Fields, Ford, Garner, Hahn, Haley, Hall, Hampton, Harris, Henry, Hill, Hinkle, Hislope, Houtchens, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miller, Moloney, Moorman, L. F. Morgan, Murphy, Neel, Nichols, Nolan, Osborn, Ostertag, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White, Wood. Nays 1—Spurrier. **HB 460** was passed and the title agreed to.

HB 354 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 65—Barton, Bates, Baumgardner, Buckman, C. C. Carter, Castle, Childress, Clark, Cole, Colley, Cottengim, Cowherd, Crecelius, Davis, Dean, Dexter, Dobyns, Dowell, Ellis, Farmer, Fields, Hahn, Haley, Hampton, Harris, Henry, Hill, Hinkle, Houtchens, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Moloney, Moorman, L. F. Morgan, Murphy, Neel, Nichols, Osborn, Ostertag, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Roberts, Robinson, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Tucker, G. T. White, J. E. White, Wood. Nays 6—Cook, Ford, Garner, Hislope, Nolan and Tanner. **HB 354** was passed and the title agreed to.

Representative Ray moved to recess until 2:00 P.M. Agreed.

At the appointed hour, the Speaker resumed the Chair.

The Rules were suspended for Committee Reports.

Report of Committee

Committee on Rules reported **SB 171**, **SB 269**, **SB 274**, **SB 240**, **SB 104**, **SB 3**, **SB 256**, **SB 57**, **SB 280**, **SB 208**, **SB 113**, **SB 89**, **SB 88** and **SB 140** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 171, AN ACT relating to Special Circuit Judges and the Special Circuit Judge Fund, including provisions for classifications, duties, activities, allowances, investments, contributions and appropriations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Sec. 1. Section 23.300 of the Kentucky Revised Statutes is amended to read as follows:

There is hereby created the classification of special circuit judge of the Commonwealth of Kentucky.

Sec. 2. Section 23.330 of the Kentucky Revised Statutes is amended to read as follows:

The classification of special circuit judge created by KRS 23.300 shall be deemed to be a retirement classification, achieved by virtue of age, previous service and contributions as provided in KRS 23.310. No person while holding appointment as such special circuit judge shall be eligible to hold any compensated public office, except that he may upon designation by the Court of Appeals serve as a special judge under KRS 23.230 or 23.260, and when doing so shall be entitled to per diem and expenses in accordance with the provisions of KRS 23.290, from the same source as provided by law for other special judges so serving.

Sec. 3. Section 23.340 of the Kentucky Revised Statutes is amended to read as follows:

Each special circuit judge shall be paid out of the special circuit judge fund an annual allowance of $3,500, plus $150 for each year or major fraction thereof of service as a regular circuit judge in excess of 10 years, provided that the number of years of service to be used in computing the allowance payable shall not exceed 20.

Sec. 4. Section 23.350 of the Kentucky Revised Statutes is amended to read as follows:

There is hereby established in the State Treasury a separate fund to be known as the special circuit judge fund. Each regular circuit judge shall contribute into this fund an amount equal to three percent of his annual salary as a circuit judge paid by the state, such contribution to be deducted by the State Treasurer from the monthly pay of each circuit judge and credited in the special circuit judge fund to such circuit judge.

Sec. 5. Section 23.370 of the Kentucky Revised Statutes is amended to read as follows:

The committee may invest all or any part of the special circuit judge fund, not needed to pay allowances to special circuit judges, in obligations of the United States of America. The committee shall have authority to make pro rata reductions in the allowances payable under KRS 23.340, when necessary to prevent exhaustion of the fund.

Sec. 6. In addition to the sums appropriated out of the State Treasury to the Special Circuit Judge Fund by the General Appropriation Act of the 1960 General Assembly for the fiscal years 1960-61 and 1961-62, there hereby is appropriated to said fund out of the General Expenditure Fund in the State Treasury, for each of said fiscal years, an additional sum of $20,000.

Sec. 7. This Act shall become effective on July 1, 1960.

SB 269, AN ACT providing for the conduct of public business in public and to be known as the Kinkead-McCann Act.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. No resolution, rule, regulation or formal action of any kind, of any board or commission of any state agency or authority, or of any agency or authority of any county, town, municipal corporation, school district, or other political subdivision shall be adopted at any executive session of any board or commission, or of any such agency or authority, unless otherwise provided by law, and all official meetings of such board, commission or authority are declared to be public meetings open to the public at all times; however, boards, commissions, agencies and authorities are not hereby prohibited from meeting in executive sessions if the full minutes of their proceedings are made public.

Section 2. The minutes of a regular or special session or meeting of any board or commission of any such agency or authority shall be promptly recorded and such records shall be open to public inspection.

SB 274, AN ACT relating to interstate cooperation in the field of nuclear energy.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context requires otherwise:

(1) "Compact" means the Southern Interstate Nuclear Compact;

(2) "Board" means the Southern Interstate Nuclear Board.

Section 2. The Southern Interstate Nuclear Compact is enacted into law and entered into by the Commonwealth of Kentucky as a party, and is of full force and effect between the Commonwealth and any other states joining therein in accordance with the terms of the compact. The compact is substantially as follows:

ARTICLE 1. POLICY AND PURPOSE

The party states recognize that the proper employment of nuclear energy, facilities, materials, and products can assist substantially in the industrialization of the South and the development of a balanced economy for the region. They also recognize that optimum benefit from the acquisition of nuclear resource and facilities requires systematic encouragement, guidance, and assistance from the party states on a cooperative basis. It is the policy of the party states to undertake such cooperation on a continuing basis; it is the purpose of this compact to provide the instruments and frame work for such a cooperative effort to improve the economy of the South and contribute to the individual and community well being of the region's people.

ARTICLE II. THE BOARD

(a) There is hereby created an agency of the party states to be known as the "Southern Interstate Nuclear Board" (hereinafter called the Board). The Board shall be composed of one member from each party state designated or appointed in accordance with the law of the state which he represents and serving and subject to removal in accordance with such law. Any member of the Board may provide for the discharge of his duties and the performance of his functions thereon (either for the duration of his membership or for any lesser period of time) by a deputy or assistant, if the laws of his state make specific provision therefor. The federal government may be represented without vote if provision is made by federal law for such representation.

(b) The Board members of the party states shall each be entitled to one vote on the Board. No action of the Board shall be binding unless taken at a meeting at which a majority of all members representing the party states are present and unless a majority of the total number of votes on the Board are cast in favor thereof.

(c) The Board shall have a seal.

(d) The Board shall elect annually, from among its members, a chairman, a vice chairman, and a treasurer. The Board shall appoint an Executive Director who shall serve at its pleasure and who shall also act as Secretary, and who, together with the Treasurer, shall be bonded in such amounts as the Board may require.

(e) The Executive Director, with the approval of the Board, shall appoint and remove or discharge such personnel as may be necessary for the performance of the Board's functions irrespective of the civil service, personnel or other merit system laws of any of the party states.

(f) The Board may establish and maintain, independently or in conjunction with any one or more of the party states, a suitable retirement system for its full-time employees. Employees of the

Board shall be eligible for social security coverage in respect of old age and survivors insurance provided that the Board takes such steps as may be necessary pursuant to federal law to participate in such program of insurance as a governmental agency or unit. The Board may establish and maintain or participate in such additional programs of employee benefits as may be appropriate.

(g) The Board may borrow, accept, or contract for the services of personnel from any state or the United States or any subdivision or agency thereof, from any interstate agency, or from any institution, person, firm or corporation.

(h) The Board may accept for any of its purposes and functions under this compact any and all donations, and grants of money, equipment, supplies, materials, and services (conditional or otherwise) from any state or the United States or any subdivision or agency thereof, or interstate agency, or from any institution, person, firm or corporation, and may receive, utilize and dispose of the same.

(i) The Board may establish and maintain such facilities as may be necessary for the transacting of its business. The Board may acquire, hold, and convey real and personal property and any interest therein.

(j) The Board shall adopt bylaws, rules, and regulations for the conduct of its business, and shall have the power to amend and rescind these bylaws, rules and regulations. The Board shall publish its bylaws, rules and regulations in convenient form and shall file a copy thereof, and shall also file a copy of any amendment thereto, with the appropriate agency or officers in each of the party states.

(k) The Board annually shall make to the governor and legislature of each party state, a report covering the activities of the Board for the preceding year, and embodying such recommendations as may have been adopted by the Board. The Board may issue such additional reports as it may deem desirable.

ARTICLE III. FINANCES

(a) The Board shall submit to the executive head or designated officer or officers of each party state a budget of its estimated expenditures for such period as may be required by the laws of that jurisdiction for presentation to the legislature thereof.

(b) Each of the Board's budgets of estimated expenditures shall contain specific recommendations of the amount or amounts to be appropriated by each of the party states. One half of the total amount of each budget of estimated expenditures shall be apportioned among the party states in equal shares; one quarter of each such budget shall be apportioned among the party states in accordance with the ratio of their populations to the total population of the entire group of party states based on the last decennial federal census; and one quarter of each such budget shall be apportioned among the party states on the basis of the relative average per capita income of the inhabitants in each of the party states based on the latest computations published by the federal census-taking agency. Subject to appropriation by their respective legislatures, the Board shall be provided with such funds by each of the party states as are necessary to provide the means of establishing and maintaining facilities, a staff of personnel, and such activities as may be necessary to fulfill the powers and duties imposed upon and entrusted to the Board.

(c) The Board may meet any of its obligations in whole or in part with funds available to it under Article II (h) of this compact, provided that the Board takes specific action setting aside such funds prior to the incurring of any obligation to be met in whole or in part in this manner. Except where the Board makes use of funds available to it under Artcile II (h) hereof, the Board shall not incur any obligation prior to the allotment of funds by the party jurisdictions adequate to meet the same.

(d) Any expenses and any other costs for each member of the Board in attending Board meetings shall be met by the Board.

(e) The Board shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the Board shall be subject to the audit and accounting procedures established under its bylaws. However, all receipts and disbursements of funds handled by the Board shall be audited yearly by a qualified public accountant and the report of the audit shall be included in and become part of the annual report of the Board.

(f) The accounts of the Board shall be open at any reasonable time for inspection.

ARTICLE IV. ADVISORY COMMITTEES

The Board may establish such advisory and technical committees as it may deem necessary, membership on which to include but not to be limited to private citizens, expert and lay personnel representatives of industry, labor, commerce, agriculture, civic associations, medicine, education, voluntary health agencies, and officials of local, state and federal government, and may cooperate with and use the services of any such committees and the organizations which they represent in furthering any of its activities under this compact.

ARTICLE V. POWERS

The Board shall have power to:

(a) Ascertain and analyze on a continuing basis the position of the South with respect to nuclear and related industries.

(b) Encourage the development and use of nuclear energy facilities, installations, and products as part of a balanced economy.

(c) Collect, correlate and disseminate information relating to civilian uses of nuclear energy, materials and products.

(d) Conduct, or cooperate in conducting, programs of training for state and local personnel engaged in any aspects of

(1) Nuclear industry, medicine, or education or the promotion or regulation thereof.

(2) The formulation or administration of meausres designed to promote safety in any matter related to the development, use of disposal of nuclear energy, materials, products, installations, or wastes.

(e) Organize and conduct, or assist and cooperate in organizing and conducting, demonstrations of nuclear product, material, or equipment use and disposal and of proper techniques or processes for the application of nuclear resources to the civilian economy or general welfare.

(f) Undertake such non-regulatory functions with respect to non-nuclear sources of radiation as may promote the economic development and general welfare of the region.

(g) Study industrial, health, safety, and other standards, laws, codes, rules, regulations, and administrative practices in or related to nuclear fields.

(h) Recommend such changes, in, or amendments or additions to the laws, codes, rules, regulations, administrative procedures and practices or ordinances of the party states in any of the fields of its interest and competence as in its judgement may be appropriate. Any such recommendation shall be made through the appropriate state agency with due consideration of the desirability of uniformity but shall also give appropriate weight to any special circumstances which may justify variations to meet local conditions.

(i) Prepare, publish and distribute, (with or without charge) such reports, bulletins, newsletters or other material as it deems appropriate.

(j) Cooperate with the Atomic Energy Commission or any agency successor thereto, any other officer or agency of the United States, and any other governmental unit or agency or officer thereof, and with any private persons or agencies in any of the fields of its interests.

(k) Act as licensee of the United States Government or any party state with respect to the conduct of any research activity requiring such license and operate such research facility or undertake any program pursuant thereto.

(l) Ascertain from time to time such methods, practices, circumstances, and conditions as may bring about the prevention and control of nuclear incidents in the area comprising the party states, to coordinate the nuclear incident prevention and control plans and the work relating thereto of the appropriate agencies of the party states and to facilitate the rendering of aid by the party states to each other in coping with nuclear incidents. The Board may formulate and, in accordance with need from time to time, revise a regional plan or regional plans for coping with nuclear incidents within the territory of the party states as a whole or within any subregion or subregions of the geographic area covered by this compact.

ARTICLE VI. SUPPLEMENTARY AGREEMENTS

(a) To the extent that the Board has not undertaken an activity or project which would be within its power under the provisions of Article V of this compact, any two or more of the party states (acting by their duly constituted administrative officials) may enter into supplementary agreements for the undertaking and continuance of such an activity or project. Any such agreement shall specify its purpose or purposes; its duration and the procedure for termination thereof or withdrawal therefrom; the method of financing and allocating the costs of the activity or project; and such other matters as may be necessary or appropriate. No such supplementary agreement entered into pursuant to this article shall become effective prior to its submission to and approval by the Board. The Board shall give such approval unless it finds that the supplementary agreement or the activity or project contemplated thereby is inconsistent with the provisions of this compact or a program or activity conducted by or participated in by the Board.

(b) Unless all of the party states participate in a supplementary agreement, any cost or costs thereof shall be borne separately by the states party thereto. However, the Board may administer or otherwise assist in the operation of any supplementary agreement.

(c) No party to a supplementary agreement entered into pursuant to this article shall be relieved thereby of any obligation or duty assumed by said party state under or pursuant to this compact, except that timely and proper performance of such obligation or duty by means of the supplementary agreement may be offered as performance pursuant to the compact.

ARTICLE VII. OTHER LAWS AND REGULATIONSHIPS

Nothing in this compact shall be construed to:

(a) Permit or require any person or other entity to avoid or refuse compliance with any law, rule, regulation, order or ordinance of a party state or subdivision thereof now or hereafter made, enacted or in force.

(b) Limit, diminish, or otherwise impair jurisdiction exercised by the Atomic Energy Commission, any agency successor thereto, or any other federal department, agency or officer pursuant to and in comformity with any valid and operative act of Congress.

(c) Alter the relations between the respective internal responsibilities of the government of a party state and its subdivisions.

(d) Permit or authorize the Board to exercise any regulatory authority or to own or operate any nuclear reactor for the generation of electric energy; nor shall the Board own or operate any facility or installation for industrial or commercial purposes.

ARTICLE VIII. ELIGIBLE PARTIES, ENTRY INTO FORCE AND WITHDRAWAL

(a) Any or all of the states of Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia shall be eligible to become party to this compact.

(b) As to any eligible party state, this compact shall become effective when adopted into law as provided by the law of the various party states; provided that it shall not become initially effective until enacted into law by seven states.

(c) Any party state may withdraw from this compact by enacting a statute repealing the same, but no such withdrawal shall become effective until the governor of the withdrawing state shall have sent formal notice in writing to the governor of each other party state informing said governors of the action of the legislature in repealing the compact and declaring an intention to withdraw.

ARTICLE IX. SEVERABILITY AND CONSTRUCTION

The provisions of this compact and of any supplementary agreement entered into hereunder shall be severable and if any phase, clause, sentence or provision of this compact or such suplementary agreement is declared to be contrary to the constitution of any participating state or of the United States or the applicability thereof to any government, agency, person, or circumstance is held invalid, the validity of the remainder of this compact or such supplementary agreement and the applicability thereof to any government, agency, person, or circumstance shall not be affected thereby. If this compact or any supplementary agreement entered into hereunder shall be held contrary to the constitution of any state participating therein, the compact or such supplementary agreement shall remain in full force and effect as to the remaining states and in full force and effect as to the state affected as to all severable matters. The provisions of this compact and of any supplementary agreement entered into pursuant hereto shall be liberally construed to effectuate the purposes thereof.

Section 3. The board member from Kentucky shall be the chairman of the Advisory Committee on Nuclear Energy, when approved by the Governor; otherwise, the Governor shall appoint the member. The member may name the Director of the Division of Nuclear Information, or another person as his deputy or assistant.

Section 4. Any employee or group of employees designated by the board shall be considered a state department for the purposes of participation in the Kentucky Employees Retirement System when approved by the Commissioner of Finance.

Section 5. Any supplementary agreement entered into under Article VI of the compact, requiring the expenditure of funds shall not become effective as to the Commonwealth until the required funds are appropriated by the General Assembly.

Section 6. The departments, boards, agencies, commissions, officers and employees of the Commonwealth and its subdivisions are authorized to cooperate with the board in the furtherance of any of its activities pursuant to this Compact.

Section 7. To carry out the purposes of this Act, there is appropriated out of the General Expenditure Fund a sum equal to Kentucky's share of board needs as determined by Article III of the compact, for the fiscal years 1960-61 and 1961-62. This sum shall not be greater than $5,000 in either fiscal year and the money shall not be expended until the board has come into existence as provided by the terms of the compact.

SB 240, AN ACT relating to proceedings by the State Board of Accountancy against persons licensed to practice public accounting.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Subsection (11) of Section 325.340 of the Kentucky Revised Statutes is hereby created to read as follows:

After notice and hearing as provided in KRS 325.360, the board may revoke or suspend any certificate issued under KRS 325.260 to 325.290, or any registration granted under KRS 325.310, or may revoke, suspend or refuse to renew any permit issued under KRS 325.330, or may censure the holder of any such permit, for any one or any combination of the following causes:

(11) Conduct discreditable to the accounting profession.

SB 104, AN ACT making it a misdemeanor to obtain or attempt to obtain goods, property or service by false or fraudulent use of credit cards or other false or fraudulent means, and providing penalties therefor.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. It shall be unlawful for any person knowingly to obtain or attempt to obtain credit, or to purchase or attempt to purchase any goods, property or service, by the use of any false, fictitious, counterfeit or expired credit card, telephone number, credit number or other credit device, or by the use of any credit card, telephone number, credit number or other credit devise of another without the authority of the person to whom such card, number or device was issued, or by the use of any credit card, telephone number, credit number or other credit device in any case where such card, number or device has been revoked and notice of revocation has been given to the person to whom issued.

Section 2. It shall be unlawful for any person to obtain or attempt to obtain, by the use of any fraudulent scheme, device, means or method, telephone or telegraph service or the transmission of a message, signal or other communication by telephone or telegraph, or over telephone or telegraph facilities with intent to avoid payment of charges therefor.

Section 3. The word "notice" as used in Section 1 of this act shall be construed to include either notice given in person or notice given in writing to the person to whom the number, card or device was issued. The sending of a notice in writing by registered or certified mail in the United States mail, duly stamped and addressed to such person at his last address known to the issuer, shall be prima facie evidence that such notice was duly received.

Section 4. Any person who violates any provision of Section 1 or Section 2 of this act is guilty of a misdemeanor and upon conviction shall be punished by a fine of not less than fifty dollars ($50.00) nor more than five hundred dollars ($500.00) or imprisonment for not more than one (1) year, or by both such fine and imprisonment.

SB 3, AN ACT relating to corporation taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context requires otherwise:

(1) The term "small business corporation" means a corporation which is not a member of an affiliated group, as defined in KRS 141.205, and which does not:

(a) have more than ten shareholders;

(b) have as a shareholder a person other than an estate who is not an individual;

(c) have a nonresident as a shareholder; and

(d) have more than one class of stock.

(2) The term "electing small business corporation" means, with respect to any taxable year, a small business corporation which has made an election under Section 4 of this Act and which, under Section 7 of this Act, is in effect for such taxable year.

(3) The term "undistributed taxable income" means the taxable

income computed as provided in KRS 140.010 (11) minus the amount of money distributed as dividends during the taxable year, to the extent that any such amount is a distribution out of earnings and profits of the taxable year.

(4) The term "gross income" means the term as defined in KRS 141.010 (25).

Section 2. For the purpose of Section 1 (1) (a) of this Act, stock which is:

(1) community property of a husband and wife or the income from which is community income under the applicable community property law of a State; or

(2) held by a husband and wife as joint tenants, tenants by the entirety, or tenants in common shall be treated as owned by one shareholder.

Section 3. (1) A corporation, which meets all the requirements of Section 1 (1) of this Act other than the residency requirement of its shareholders, may become a small business corporation for the purpose of this Act by:

(a) filing with the Department of Revenue its consent to be liable for the tax which a non-resident shareholder fails to pay on his share of the corporation's undistributed taxable income; and

(b) posting a bond in an amount as determined by the Commissioner of Revenue for the purpose of indemnifying the State against loss of revenue by virtue of a non-resident shareholder's failure to pay the tax imposed by this Act and KRS Chapter 141.

(2) A corporation's liability under this section shall not exceed the pro rata amount of tax which the corporation would have paid, if the election under Section 4 of this Act had not occurred.

Section 4. Except as provided in Section 9 of this Act, a small business corporation, which has elected as to taxable status under Sections 1371 to 1377 of the Internal Revenue Code in effect on January 1, 1960, may elect, in accordance with the provisions of this Act, not to be subject to the tax imposed by KRS 141.040. The election shall be valid only if all persons who are shareholders in the corporation

(1) on the first day of the first taxable year for which the election is effective, if the election is made on or before such first day, or

(2) on the day on which the election is made, if the election is made after such first day, consent to the election.

Section 5. (1) If a small business corporation makes an election under Section 4 of this Act, then with respect to the taxable years of the corporation for which the election is in effect, the corporation shall not be subject to the tax imposed by KRS 141.040 and, with respect to such taxable years and all succeeding taxable years, the provisions of Section 17 shall apply to the corporation.

(2) If a small business corporation makes an election under Section 4 of this Act, then with respect to the taxable years of a shareholder of the corporation in which or with which the taxable years of the corporation for which the election is in effect end, the provisions of Sections 10, 11, 12, 13, 14 and 15 of this Act shall apply to the shareholder, and with respect to such taxable years and all succeeding taxable years, the provisions of Section 16 of this Act shall apply to the shareholder.

Section 6. (1) A small business corporation may make an election under Section 4 of this Act for any taxable year at any time during the first month of the taxable year, or during the month preceding.

(2) For the first taxable year which begins after December 31, 1959, and on or before the effective date of this Act, the election may be made within 90 days from the effective date of this Act; or, if the taxable year ends within the 90-day period, the election may be made before the close of such taxable year. No election may be made under this Subsection unless the electing small business corporation has been a small business corporation on each day after December 31, 1959 and before the day of the election.

Section 7. (1) An election shall be effective for the taxable year of the corporation for which it is made and for all succeeding taxable years of the corporation, unless it is terminated or revoked with respect to any such taxable year, under Section 8 of this Act.

Section 8. (1) An election under Section 4 of this Act made by a small business corporation shall terminate if any person who was not a shareholder in the corporation on the first day of the first taxable year of the corporation for which the election is effective, if such election is made on or before such first day, or on the day on which the election is made, if the election is made after such first day, becomes a shareholder in the corporation and does not consent to the election within the time as the Commissioner of Revenue shall prescribe. The termination shall be effective for the taxable year of the corporation in which such person becomes a shareholder in the corporation and for all succeeding taxable years of the corporation.

(2) An election under Section 4 of this Act made by a small business corporation shall terminate if at any time after the first day of the first taxable year of the corporation for which the election is effective, if the election is made on or before such first day, or after the day on which the election is made, if such election is made after such first day, the corporation ceases to be a small business corporation. The termination shall be effective for the taxable year of the corporation in which the corporation ceases to be a small business corporation and for all succeeding taxable years of the corporation.

(3) An election under Section 4 of this Act made by a small business corporation shall terminate if for any taxable year of the corporation for which the election is in effect, the corporation derives more than eighty percent of its gross receipts from sources outside the United States. The termination shall be effective for the taxable year of the corporation in which it derives more than eighty percent of its gross receipts from sources outside the United States, and for all succeeding taxable years of the corporation.

(4) An election under Section 4 of this Act made by a small business corporation shall terminate if, for any taxable year of the corporation for which the election is in effect, the corporation has gross receipts more than twenty percent of which is derived from royalties, rents, dividends, interest, annuities, and sales or exchanges of stock or securities (gross receipts from such sales or exchanges being taken into account for purposes of this subsection only to the extent of gains therefrom). The termination shall be effective for the taxable year of the corporation in which it has gross receipts of such amount, and for all succeeding taxable years.

(5) An election under Section 4 of this Act made by a small business corporation may be ordered to be terminated by the Commissioner of Revenue, if, for any taxable year of the corporation for which the election is in effect, a shareholder has failed to pay to this state the tax owed by him by virtue of the election. The termination shall be effective for the taxable year of the corporation succeeeding the taxable year in which the shareholder has failed to pay the tax, and for all succeeding taxable years of the corporation.

(6) An election under Section 4 of this Act made by a small business corporation may be revoked by it for any taxable year of the corporation after the first taxable year for which the election is effective. An election may be revoked only if all persons who are shareholders in the corporation on the day on which the revocation is made consent to the revocation. A revocation under this subsection shall be effective for the taxable year in which made, if made before the close of the first month of the taxable year, or for the taxable year following the taxable year in which made, if made after the close of such first month, and for all succeeding taxable years of the corporation.

Section 9. If a small business corporation has made an election under Section 4 of this Act and if the election has been terminated or revoked under Section 8 of this Act, the corporation and any successor corporation shall not be eligible to make an election under Section 4 of this Act for any taxable year prior to its fifth taxable year which begins after the first taxable year for which the termination or revocation is effective, unless the Commissioner of Revenue consents to such election.

Section 10. (1) The undistributed taxable income of an electing small business corporation for any taxable year shall be included in the gross income of the shareholders of the corporation in the manner and to the extent set forth in this section.

(2) Each person who is a shareholder of an electing small business corporation on the last day of a taxable year of such corporation shall include in his gross income, for his taxable year in which or with which the taxable year of the corporation ends, the amount he would have received as a dividend, if on such last day there had been distributed pro rata to its shareholders by the corporation an amount equal to the corporation's undistributed taxable income for the corporation's taxable year. For the purposes of this Act and KRS Chapter 141 the amount so included shall be treated as an amount distributed as a dividend on the last day of the taxable year of the corporation.

(3) Each person who is a shareholder of an electing small business corporation shall include in his gross income for his taxable year, the amount of dividends actually paid to him by the corporation during his taxable year; and such dividends as well as undistributed taxable income for the purposes of this Act, and KRS Chapter 141 shall be deemed income derived from business, trade, profession, occupation or other activity carried on in this state by the shareholder.

(4) For purposes of this Act, the taxable net income of an electing small business corporation shall be determined as provided in KRS 141.010 (11).

Section 11. (1) An operating loss of an electing small business corporation for any taxable year shall be allowed as a deduction from gross income of the shareholders of the corporation in the manner and to the extent set forth in this Act.

(2) Each person who is a shareholder of an electing small business corporation at any time during a taxable year of the corporation in which it has an operating loss shall be allowed as a deduction from gross income, for his taxable year in which or with which the taxable year of the corporation ends or for the final taxable year of a shareholder who dies before the end of the corporation's taxable year, an amount equal to his portion of the corporation's operating loss as determined under Section of this Act.

(3) The deduction allowed by subsection (2) of this section shall, for purposes of this Act and KRS Chapter 141, be considered as a deduction attributable to a trade or business carried on by the shareholder.

Section 12. (1) For purposes of this Act, a shareholder's portion of the operating loss of an electing small business corporation is his pro rata share of the corporation's operating loss for his taxable year in which or with which the taxable year of the corporation ends. For purposes of this subsection, a shareholder's pro rata share of the corporation's operating loss is the sum of the portions of the corporation's daily operating loss attributable on a pro rata basis to the shares held by him on each day of the taxable year. For purposes of the preceding sentence, the corporation's daily operating loss is the corporation's operating loss divided by the number of days in the taxable year.

(2) A shareholder's portion of the operating loss of an electing small business corporation for any taxable year shall not exceed the sum of —

(a) the adjusted basis, determined without regard to any adjustment under Section 16 of this Act for the taxable year, of the shareholder's stock in the electing small business corporation, determined as of the close of the taxable year of the corporation, or, in respect of stock sold or otherwise disposed of during such taxable year, as of the day before the day of the sale or other disposition, and

(b) the adjusted basis, determined without regard to any adjustment under Section 16 of this Act for the taxable year of any indebtedness of the corporation to the shareholder, determined as of the close of the taxable year of the corporation or, if the shareholder is not a shareholder as of the close of the taxable year, as of the close of the last day in the taxable year on which the shareholder was a shareholder in the corporation.

Section 13. (1) The amount includible in the gross income of a shareholder as dividends, including amounts treated as dividends under Section 10 of this Act from an electing small business corporation during any taxable year of the corporation, to the extent that such amount is a distribution of property out of earnings and profits derived from business done, property located, activities or sources in this state of the taxable year as specified in Section 316 (a) (2) of the Internal Revenue Code in effect on January 1, 1956, shall be treated as a long-term capital gain to the extent of the shareholder's pro rata share of the excess of the corporation's net long-term capital gain over its net short-term capital loss for such taxable year. For purposes of this subsection the excess shall be deemed not to exceed the corporation's taxable net income, computed as provided in Section 10 (4) of this Act for the taxable year.

(2) A shareholder's pro rata share of the excess for any taxable year shall be an amount which bears the same ratio to the excess as the amount of dividends described in subsection (1) of this section includible in the shareholder's gross income bears to the entire amount of dividends described in subsection (1) of this section includible in the gross income of all shareholders.

Section 14. Any dividend received by a shareholder from an electing small business corporation, including any amount treated as a dividend under Section 10 (2) of this Act, may be apportioned or allocated by the Commissioner of Revenue between or among shareholders of the corporation who are members of the shareholder's family as defined in Section 704 (e) (3) of the Internal Revenue Code in effect on January 1, 1956, if he determines that the apportionment or allocation is necessary in order to reflect the value of services rendered to the corporation by the shareholders.

Section 15. (1) An electing small business corporation may distribute to any shareholder all or any portion of the shareholder's net share of the corporation's undistributed taxable income for taxable years prior to the taxable year in which such distribution is made. Any such distribution shall, for purposes of this Act and KRS Chapter 141, be considered a distribution which is not a dividend, but the earnings and profits of the corporation shall not be reduced by reason of any such distribution.

(2) For purposes of this section, a shareholder's net share of the undistributed taxable income of an electing small business corporation is an amount equal to--------

(a) the sum of the amounts included in the gross income of the shareholder under Section 10 (2) of this Act for all prior taxable years, excluding any taxable year to which the provisions of Sections 13, and 14 and this section of this Act do not apply and all taxable years preceding such year, reduced by

(b) the sum of--------

(i) the amounts allowable under Section 11 (2) of this Act as a deduction from gross income of the shareholder for all prior taxable years, excluding any taxable year to which the provisions of Section 13, and 14 and this section of this Act do not apply and all taxable years preceding such year, and

(ii) all amounts previoulsy distributed during the taxable year and all prior taxable years, excluding any taxable year to which the provisions of Section 13 and 14, and this section of this Act do not apply and all taxable years preceding such year, to the shareholder which under subsection (1) of this section were considered distributions which were not dividends.

Section 16. (1) The basis of a shareholder's stock in an electing small business corporation shall be increased by the amount required to be included in the gross income of the shareholder under Section 10 (2) of this Act, but only to the extent to which the amount is included in his gross income in his return, increased or decreased by any adjustment of the amount in any redetermination of the shareholder's tax liability.

(2) (a) The basis of a shareholder's stock in an electing small business corporation shall be reduced, but not below zero, by an amount equal to the amount of his portion of the corporation's operating loss for any taxable year attributable to such stock as determined under Section 12 of this Act.

(b) The basis of any indebtedness of an electing small business corporation to a shareholder of the corporation shall be reduced, but not below zero, by an amount equal to the amount of the shareholder's portion of the corporation's operating loss for any taxable year, as determined under Section 12 of this Act, but only to the extent that such amount exceeds the adjusted basis of the stock of the corporation held by the shareholder.

Section 17. (1) The accumulated earnings and profits of an electing small business corporation as of the close of its taxable year shall be reduced to the extent that its undistributed taxable income for such year is required to be included in the gross income of the shareholders of the corporation under Section 10 (2) of this Act.

(2) The earnings and profits of an electing small business corporation for any taxable year, but not its accumulated earnings and profits, shall not be reduced by any amount which is not allowable as a deduction in computing its taxable income as provided in Section 10 (4) for such taxable year.

(3) The earnings and profits and the accumulated earnings and profits of an electing small business corporation shall not be affected by any item of gross income or any deduction taken into account in determining the amount of any operating loss, computed as provided in Section 11 (3) of this Act, of the corporation.

(4) For the purpose of this section, "earnings and profts" and "accumulated earnings and profits" mean earnings and profits and accumulated earnings and profits derived from business done, property located, activities or sources in this state.

Section 18. Every electing small business corporation shall file an annual return, as required by KRS Chapter 141, and such other information as the Department of Revenue may require, including the persons to whom the taxable net income of the corporation is attributable.

SB 256, AN ACT relating to financing of public improvements by assessments against benefited properties according to the "assessed value" basis; amending and re-enacting KRS 107.020, 107.030, 107.140 and 107.190; enacting new sections in KRS Chapter 107; and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Legislative Purpose. It is the purpose of this Act to extend permissive authority of municipalities for assessment financing of certain public improvements according to the "assessed value" basis by (a) permitting such financing of sewage treatment plants and appurtenances, as well as other sewer installations, (b) simplifying procedures under certain conditions, (c) permitting assessment bonds for sewer projects to mature over a period up to thirty (30) years, and (d) amending and re-enacting certain specified sections of KRS Chapter 107 to make them consistent herewith.

Section 2.

KRS 107.020 is amended and re-enacted as follows:

KRS 107.020 Definitions.

(1) The term "governing body", as used in this chapter, means and includes the legislative body of any city, whether the same be designated by applicable statutes as a General Council, a Common Council, a City Council, a Board of Trustees, a Board of Commissioners, or otherwise.

(2) The term "Ordinance" means and includes any ordinance enacted in accordance with the general laws applicable to ordinances of the class of city in question, and the form of government thereof, and in accordance with the provisions of this chapter.

(3) The term "public way" means and includes streets, sidewalks, boulevards, avenues, roads, lanes, alleys, parkways, courts, terraces, and other courses of travel open to the general public by whatsoever name designated.

(4) The terms "improvement" and "project" mean and include (a) the new construction of public ways or the substantial reconstruction or widening thereof, (b) the construction, installation or substantial reconstruction of sanitary, storm, or combined sewers and appurtenances, (c) the new construction, enlargement or substantial reconstruction of sewage treatment plants for rendering sewage less hazardous to public health, safety and general welfare or (d) any combination of the same. Bonds for improvements defined in (b) and (c) of this subsection may be caused to mature as to principal in terms or serial maturities not to exceed thirty (30) years from date of issue, instead of being limited to twenty (20) years from date of issue as otherwise provided in KRS 107.090.

(5) The term "costs" as applied to any project undertaken under this chapter includes the cost of labor, materials, and equipment necessary to complete the project in a satisfactory manner, cost of land acquired, and every expense connected with the project, including preliminary and other surveys, inspections of the work, engineers' fees and costs, attorneys' fees, preparation of plans and specifications, publication of ordinances and notices, interest which will accrue on the bonds until the due date of the first annual improvement assessment levied in connection therewith, a sum equal to any discount in the sale of the bonds (if discount bids are authorized and permitted by the governing body), a reasonable allowance for unforseen contingencies, the printing of bonds, and other costs of financing which may include the payment of a fee to a fiscal agent for advice and assistance in the preparation and marketing of the bonds.

(6) The term "assessed value basis" means the plan for the levying of annual improvement benefit assessments on the basis of the assessed values of the benefited properties, as authorized by this chapter.

(7) The term "front-foot basis" refers to the plan for financing improvements by apportioning the cost among benefited properties upon the basis of the number of linear feet thereof abutting upon the improvement project, as otherwise provided by law.

(8) The terms "property to be benefited", "properties to be benefited", "benefited property" and "benefited properties" all mean and refer to the property or properties defined in KRS 107.140.

Section 3.

KRS 107.030 is amended and re-enacted to read:

107.030 Procedure for use of alternate method. If a municipality desires to authorize, construct, and finance an improvement pursuant to this chapter, its governing body shall initiate the proceedings by adopting an ordinance, herein called the "First Ordinance", in which announcement shall be made (a) of the public way or ways (which need not be contiguous) proposed to be improved and the geographical limits of the proposed improvement in such manner as to identify the benefited properties, and/or (b) the identity of the property or properties to be benefited by sewer installations (which may include a sewage treatment plant) which properties may be identified by naming the public way or ways upon which they abutt, if any, or by geographical location; and in either case the nature and scope of the improvement, a preliminary estimate of the costs thereof, as submitted in writing by an engineer, or firm of engineers, holding a license from the Commonwealth of Kentucky, and the amount, if any, which the city proposes to appropriate from available city funds toward the estimated cost. In all succeeding proceedings, the city shall be bound and limited by the preliminary report of the engineer, or engineers, with regard to the nature, scope, and extent of the proposed improvement project (unless the First Ordinance be amended, as hereinafter provided); but shall not be bound by, or limited to, the preliminary estimate of costs. The costs shall be determined upon the basis of construction bids publicly solicited as hereinafter provided, and shall be binding upon the city, and upon the owners of property to be benefited by the proposed improvement project, whether the same turn out to be equal to, below, or above such preliminary estimate. Architects, engineers, and fiscal agents may be employed without advertising or competition. The First Ordinance shall provide for a public hearing at a time and place specified therein (not less than one week after publication) and shall give notice that at such hearing any owner of property to be benefited may appear and be heard as to (1) whether the proposed project should be undertaken or abandoned, (2) whether the nature and scope of the project shall be altered, (3) whether the project shall be financed through the issuance of bonds according to the "assessed value basis," authorized by this chapter, or (4) whether the project shall be financed through assessments made and apportioned on a front-foot basis, as may otherwise be authorized by law. The First Ordinance shall be published as ordinances are required to be published, and if there be no requirement of publication, it shall, nevertheless, be published one time in a newspaper published in the city, or of general circulation in the City, or by posting copies in typewritten, mimeographed, or printed form in such number of public places in the city as the governing body may in said ordinance provide. The First Ordinance may designate a person, who may be the Mayor, (or the Chairman of the Board of Trustees) a member of the governing body, or any city official, to preside at and conduct such public hearing. In the absence of such designation in the ordinance, the mayor, chairman of the board of trustees, or a person designated by the mayor or chairman shall preside. Notwithstanding the foregoing, such public hearing shall not be deemed irregular or improper if it is in fact presided over and conducted at the designated time and place by any elected city officer or member of the governing body.

Section 4.

A new section of KRS is enacted, and may be designated KRS 107.085, to read:

In the event the owner or owners of all property or properties which will be subject to assessment for an improvement proposed to be undertaken shall tender to the city their written request or requests, that the improvement be undertaken and financed according to KRS 107.010 to 107.220, and shall waive the formalities of the "First Ordinance," the holding of a public hearing, the "Second Ordinance," and the provisions of KRS 107.060, permitting litigation; the governing body may, in its discretion, dispense with all of said proceedings and formalities, and may proceed as provided in KRS 107.090 with reference to the "Third Ordinance"; but in all such instances, the written requests of the owners of all properties which will be subject to assessment shall be in recordable form and shall be recorded in the office of the Clerk of the County Court of the County wherein the respective properties may be situated, and said Clerk is authorized to record such instruments as in the case of mortgages, and may charge and receive fees therefor as in the case of mortgages. Each ordinance by which an improvement is undertaken according to this section shall contain a recitation of the receiving of written requests and waivers from the owners of all properties which will be subject to assessment for each such improvement. In such instances the lien for which provision is made in KRS 107.160 shall attach upon publication of the ordinance (equivalent to the "Third Ordinance") which authorizes issuance of the improvement assessment bonds.

Section 5.

KRS 107.140 is amended and re-enacted to read:

107.140 Benefited property; what constitutes, action against county.

(1) (a) In the case of improvements of public ways, the benefited property shall consist of all real property abutting upon both sides of the improvement project, and the cost of improving intersections shall be included in the total costs to be assessed and apportioned, unless and to the extent the city shall appropriate, within constitutional limitations, from available funds, definite and specified sum as a contribution thereto, or a proportion of the aggregate cost, or the cost of specified portions of the improvement; provided, however, that if provisions shall be made for sidewalk improvements upon only one side of the project, the costs of the sidewalk improvement shall be ascertained and assessed separately against the property abutting upon that side only, but the governing body may provide that such assessment shall include a fair share of the over-all costs, as herein defined, other than the amounts of the actual construction contracts.

(b) In the case of improvements for drainage sewage, storm water, or a combination thereof, the benefited properties shall consist of all properties which are thereby afforded a means of drainage, including not only the properties which may be contiguous to the improvements, but also adjacent properties within a reasonable distance therefrom as the governing body may in the proceedings set forth.

(c) In the case of an improvement project consisting in whole or in part of a sewage treatment plant, or enlargement or substantial reconstruction of an existing sewage treatment plant, the benefited properties shall be all those properties the sewage from which is treated in such plant, including properties already provided with sewer drainage facilities as well as those properties which the improvement project will provide with such drainage facilities, but the governing body may classify properties according to the extent of benefits to be afforded to them, and may establish one rate of assessment applicable to all properties participating in the benefits of the sewage treatment installations, and an additional rate of assessment applicable to properties for which the improvement project will also provide sewer drainage facilities.

(d) The governing body may, either in the proceedings initiating an improvement project, or in subsequent proceedings, recognize the necessity or desirability in the interest of the public health, safety and general welfare, that properties other than the properties originally benefited by an improvement under subsections (b) or (c) of this section, be permitted to connect to such sewer drainage and/or treatment facilities, and may make equitable provisions which may be adjustable from year to year as bonds are retired, whereby the owners of such later-connecting properties, may, by paying charges for the privilege of connecting, and/or by assuming a share of improvement assessments, or otherwise, be placed as nearly as practicable on a basis of financial equity with the owners of properties initially provided to be assessed.

(2) Benefited property owned by the city, county or state, or owned by the United States Government or any of its agencies, if such property is subject to assessment by Act of Congress, shall be assessed annually the same as private property, and the amount of the annual assessment shall be paid by the city, county, state, or United States Government, as the case may be. The same right of action shall lie against the county as against a private owner. In the case of the state, the amount of the annual assessment shall be certified by the city treasurer to the Department of Finance, which shall thereupon draw a warrant upon the State Treasurer, payable to the city treasurer, for the amount thereof, and the State Treasurer shall pay the same out of any money in the State Treasury not otherwise appropriated. For the purpose of this chapter, all public school property shall be deemed to be property owned by the State as provided by KRS 162.010.

(3) No benefited property shall be exempt from assessment.

Section 6.

KRS 107.190 is amended and re-enacted to read:

107.190 Action by city where ordinances and proceedings encompass less than all the undertakings contemplated by KRS 107.020; where all are encompassed and city undertakes additional improvements. If the ordinances and proceedings authorized by this chapter shall encompass and include less than all of the undertakings authorized and contemplated by the definitions set forth in KRS 107.020, (i.e., a street improvement project with or without sidewalk, curb, gutter, and/or storm or surface water sewers or drains or sanitary sewers, or sewage treatment facilities), the city shall not be precluded from ordaining and requiring the omitted matters and structures to be constructed at the expense of the benefited properties at any time in the future, in accordance with the provisions of this chapter, or in accordance with any other applicable laws. If the improvement project shall encompass all of the elements included in the definition of "Improvement" or "Project" as set forth in this chapter, the city shall not thereafter undertake any project for any part of the improvements as herein defined except (a) at the exclusive cost of the city, or (b) at the cost of the benefited properties from and after fifteen years after completion and acceptance of the project, or (c) from the proceeds of revenue bonds payable from service charges.

Section 7. Declaration of Emergency.

It is hereby found and declared that numerous municipalities are in critical need of sewer facilities and sewage treatment plants which they are having difficulty in financing under existing statutory authority, and it is necessary and desirable in the interest of the public health, safety and general welfare, that the authority of this Act be made available to them during the entire period of favorable construction weather in 1960; accordingly an emergency is declared to exist and this Act shall take effect upon approval by the Governor.

SB 57, AN ACT relating to the establishment, operation and regulation of independent business schools.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context otherwise requires:

(1) "Independent business school", "business school" or "School" means an educational institution privately owned and operated by an individual, partnership, association or corporation offering business courses through residence, extension or correspondence for which tuition is charged in such subjects as typewriting, shorthand, (manual or machine), filing and indexing, receptionist's duties, key-punch, teletype, penmanship, bookkeeping, accounting, office machines, business arithmetic, English, business letter writing, salesmanship, personality development, leadership training, real estate, insurance, traffic management, business psychology, economics, business management, charm and modeling and air line training or any of these subjects and other related subjects of a similar character.

(2) "Board" means State Board of Business Schools.

(3) "Agent" means any person employed by a school as defined herein to act as agent, solicitor, broker or independent contractor to procure students for such school by solicitation of enrollment in any form made at any place other than the main office or principal place of business of the school.

(4) "Superintendent" means superintendent of public instruction.

(5) "Person," as that term is used to apply to the operator of an independent business school, means individual, partnership, association or corporation.

Section 2. This Act shall not apply to any school offering a four year college course recognized by the State Department of Education nor shall it apply to any religious and non-profit independent business school exempt from taxation under the laws of this State (or which is subject to the provisions of KRS 156.160).

Section 3. (1) No individual, partnership, association or corporation shall conduct, operate, maintain or establish an independent business school or use the term "independent business school", "business college", or any words which designate or tend to designate to the public that the operator of such institution is qualified to conduct, operate and maintain an independent business school unless he hold a valid current license from the Board.

(2) No person shall solicit in person or by the use of any means of communication or advertising, including, but not limited to, telephone, telegraph, newspapers, periodicals, handbill, circulars, mail, radio and television, any person or group of persons in this State to enroll at or attend any independent business school, unless such person holds a valid license as agent of the school for which he is soliciting.

Section 4. (1) There is hereby established a State Board of Business Schools which shall consist of the Superintendent of Public Instruction and six persons to be appointed by the governor. Four members of the Board shall be persons who, for at least five years next preceding the date of their appointment, shall have occupied executive or managerial positions with an independent business school in Kentucky. These four appointments shall be made from a list of three names for each position submitted by the Kentucky Association of Independent Business Colleges. Two members of the Board shall be persons occupied in commerce or industry in Kentucky.

(2) The terms of office of the four members of the Board first appointed from executive or managerial personnel of independent business schools shall be for one, two, three and four years respectively and the terms of office of the two members of the Board first appointed from commerce or industry shall be for three and four years respectively. Upon expiration of each of the respective terms of the members first appointed, the term of each successor shall be four years or until his successor shall be appointed and qualified.

(3) The Superintendent of Public Instruction shall serve as President of the Board ex officio and the members of the Board shall elect one of their number as Secretary. The Board is authorized to fix the compensation of the Secretary and to employ and fix the compensation of all personnel required by it for the administration of the provisions of this Act. The Board shall have the power to make all rules and regulations not inconsistent with the provisions of this Act as may be necessary to implement and carry out the provisions and purposes of this Act.

(4) The Board shall hold meetings at least twice a year and as frequently as it deems necessary at such times and places as the Board may designate and the majority of the members shall constitute a quorum.

(5) The Board may sue and be sued in its own name.

(6) The members of the Board, except the Secretary, shall receive no compensation for their services but may be paid their travel and other expenses while employed upon the business of the Board.

Section 5. (1) The State Board of Business Schools shall administer the provisions of law pertaining to the conduct, operation, maintaining or establishment of independent business schools, and the activities of agents thereof when acting as such.

(2) The Board may adopt rules and regulations to implement and carry out these provisions.

Section 6. (1) Any person seeking a license to conduct, operate, maintain or establish an independent business school shall make verified application to the Board on forms prepared and furnished by the Board setting forth the following information:

(a) The title or name of the school, together with the names of the owner or owners, and if the owner be a corporation the names and addresses of the officers thereof;

(b) The specific courses and fields of instruction which will be offered;

(c) The place or places where such instruction will be given and a description of the physical and sanitary facilities thereof;

(d) A specific listing of the equipment available for instruction in each course;

(e) The education and teaching qualifications of the instructors and supervisors.

(2) Each initial application for a license shall be accompanied by a filing fee of $50.00, no part of which shall be refunded if a license is denied or if the application is withdrawn.

(3) Upon receipt of an application for a license accompanied by the fee, the Board, or any of the members thereof, shall conduct such independent investigation as it or they deem reasonable and necessary and upon completion of such investigation to the satisfaction of the members of the Board, the license shall be granted or denied as the Board in its discretion determines.

(4) Any person seeking a license to act as agent for an independent business school shall make verified application to the Board on forms prepared and furnished by the Board setting forth the following information:

(a) The name and permanent address of the applicant, together with his date of birth and the name of the school for which an agent's license is sought;

(b) A verified statement setting out evidence of the honesty, truthfulness, and integrity of the applicant;

(c) The verified recommendation of two reputable persons certifying that the applicant is truthful, honest and of good repute and that a license as agent should be granted him.

(5) Each initial application for an agent's license shall be accompanied by a filing fee of $25.00, no part of which shall be refunded if a license is denied or if the application is withdrawn.

(6) Upon receipt of an application for an agent's license and

payment of the fee prescribed, the Board, or any of the members thereof, may conduct such independent investigation as it or they deem reasonable and necessary, and upon completion of such investigation, if any be made, the license shall be granted or denied as the Board in its discretion determines.

(7) Every agent shall obtain a separate license for each school which he represents as agent, provided, however, the filing fee for each license applied for after the first shall be $10.00.

(8) Nothing in this section of this Act shall be construed to require a bona fide employe or officer of a licensed independent business school to hold an agent's license if such bona fide employe or officer accepts applications and enrollments at the main office or principal place of business of the independent business school.

Section 7. The Board shall maintain a listing of the name and address of every person licensed under this Act and shall publish such listing at least once a year by mailing such listing to each independent business college licensed hereunder. Changes in the listing may be published in the same manner at such times as the Board in its discretion may determine.

Section 8. (1) Every license issued for the operation of an independent business school shall expire on September 30th following the date of issuance unless sooner revoked and cancelled.

(2) Between August 15 and September 1 of each year the Board shall send notices to all licensed independent business schools in this State advising them that the annual license renewal fee is due on October 1 of each year. Every licensed independent business school shall renew its license between September 1 and October 1 of each year by the payment to the Board of an annual license renewal fee of $25.00. If such renewal fee is not paid on or before October 1 the Board shall notify the delinquent licensee by certified mail that such fee is due and unpaid and that a delinquent penalty of $50.00 is assessed in addition to the renewal fee of $25.00 and must be paid on or before January 1. If such fees and penalties are not paid by January 1 it shall be the duty of the Board to suspend or revoke said license for non-payment of annual renewal and delinquent fees for the current year.

(3) Every license issued to an agent shall expire on September 30th following the date of issuance unless sooner revoked or cancelled.

(4) Between August 15 and September 1 of each year the Board shall send notices to all licensed agents advising them that the annual license renewal fee is due on October 1 of each year. Every licensed agent shall renew his license between September 1 and October 1 of each year by the payment to the Board of an annual license renewal fee of $5.00 for each license held. If such renewal fee or fees are not paid on or before October 1, the Board shall notify the delin-

quent licensee by registered mail that such fee or fees are due and unpaid and that a delinquent penalty of $10.00 for each license held is assessed in addition to the renewal fee of $5.00 and must be paid on or before January 1. If such fees and penalties are not paid by January 1, it shall be the duty of the Board to revoke said license or licenses for non-payment of annual renewal and delinquent fees for the current year.

(5) All fees collected under the provisions of this Act or the rules and regulations adopted pursuant thereto shall be paid into the State Treasury and credited to a trust and agency fund to be used in defraying the cost and expenses of the administration of this Act, including, but not limited to, salaries and necessary expenses. No part of this fund shall revert to the general funds of the Commonwealth.

Section 9. (1) The Board may refuse to license or renew the license or may suspend or revoke the license of any independent business school on proof that the individual holder thereof has been convicted of a felony, or has been guilty of moral turpitude or conduct likely to deceive or defraud the public, or that the holder thereof:

(a) has employed, hired, procured or induced an unlicensed person to act as agent for said independent business school;

(b) has been granted a license upon mistake of a material fact;

(c) has furnished false, misleading or incomplete information to the Board;

(d) has presented information to prospective students relating to the school or to employment opportunities after entering into or completing courses offered by the school which is false, misleading or fraudulent;

(e) has failed to provide and maintain premises or equipment in a safe and sanitary condition to such an extent that such failure constitutes a violation of law;

(f) has failed to maintain financial resources adequate for the satisfactory conduct of the courses of instruction offered;

(g) has failed to retain a sufficient and qualified staff of instructors and administrative personnel;

(h) has conducted instruction in a course or field not approved by the Board for that particular school.

(2) The Board may refuse to license or renew the license or may suspend or revoke the license of any agent on proof that the individual holder thereof:

(a) has been convicted of a felony, or has been guilty of moral turpitude or conduct likely to deceive or defraud the public;

(b) has employed, hired, procured, or induced an unlicensed person to act as agent for said independent business school;

(c) has been granted a license upon mistake of a material fact;

(d) has furnished false, misleading or incomplete information to the Board;

(e) has presented information to prospective students relating to the school or to employment opportunities after entering into or completing courses offered by the school which is false, misleading or fraudulent.

Section 10. (1) The Board may suspend or revoke a license or may refuse to renew a license only after a hearing of which the holder of the license has been given adequate notice, by mailing a copy of the notice registered mail at least 20 days prior to the hearing. At the hearing, the Board and the holder of the license shall have the benefit of counsel.

(2) The Board may administer oaths, take the depositions of witnesses as in civil cases and compel them to attend before it in person as in civil cases by subpoena issued in the name of the Commonwealth and over the signature of the President of the Board.

(3) Proceedings for the suspension or revocation of a license may be instituted by any individual or organization filing a verified complaint with the Secretary of the Board or such proceedings may be instituted by the Board acting upon its own initiative or by the President or Secretary of the Board acting on behalf of the Board.

(4) The Board may institute in its own name proceedings to restrain and enjoin temporarily or permanently violations of this Act regardless of whether the defendant has been convicted for violations of the penal provisions thereof, and the Board shall not be required to pay any costs or filing fee or furnish any bond in connection therewith.

(5) Hearings held by the Board under subsection (1) of this section shall be held in the county where the holder of the license lives or operates an independent business school.

Section 11. (1) County and Commonwealth's Attorneys and the Attorney General within their respective jurisdictions shall prosecute all violations of the penal provisions of this Act and shall, when requested by the Board, represent the Board in matters relating to the enforcement of this Act.

(2) A licensee whose license has been revoked or suspended by the Board or who has been refused a renewal license may, within 30 days of the entry of the order, appeal to the circuit court of the county in which the hearing was held. The person taking the appeal shall serve upon the Board, by mailing registered mail, a written notice of appeal and shall file with the Board an appeal bond with good and sufficient surety to be approved by the Secretary of the Board conditioned for the speedy prosecution of the appeal and the payment of any costs charged against him upon the appeal. The Board, within ten days after the service of notice of appeal and the filing and ap-

proval of the bond, shall transmit to the clerk of the court a certified copy under the seal of the Board of the evidence upon which the ruling of the Board was based. The clerk shall then docket the case and it shall be tried in all respects like an ordinary civil action. Either party may appeal from the judgment of the circuit court to the Court of Appeals as in a civil action. The order appealed from shall be stayed from the date of the approval of the bond until the final determination of the appeal.

Section 12. (1) Any person who violates the provisions of subsection (1) of Section 3 of this Act shall be fined not less than $100.00 nor more than $5,000.00 and each day the violation continues shall constitute a separate offense.

(2) Each first violation of subsection (2) of Section (3) of this Act shall be punishable by fine of not less than $50.00 nor more than $1,000.00 or by imprisonment for not less than one month nor more than twelve months, or both fine and imprisonment. Each subsequent violation of subsection (2) of Section 3 shall be punishable by a fine of not less than $100.00 nor more than $5,000.00 and imprisonment for not less than three months nor more than twelve months, or both fine and imprisonment.

SB 280, AN ACT relating to public library districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context requires otherwise:

(1) "District" means "public library district"; and

(2) "Board" means the board of trustees of a public library district.

Section 2. All of the territory in a county, or in two or more counties contiguous to each other may be organized into a public library district for the purpose of levying a tax to pay for establishing, equipping, maintaining and administering libraries, or for contracting for library service from any existing library.

Section 3. Districts shall be organized in the following manner:

(1) Upon the filing of a duly certified petition of one hundred or more duly qualified voters in each county to be included within the territorial limits of the proposed district, the fiscal court of each county in the proposed districts shall adopt a resolution submitting to the qualified voters of the county the question as to whether a public library district should be established for the area. A certified copy of the order of the fiscal court shall be filed with the county court clerk at least sixty days prior to the next regular election and thereupon the clerk shall cause the question to be placed upon the ballot.

(2) The question shall be in substantially the following form: "Are you in favor of establishing a public library district for (insert names of counties) which shall have the authority to impose a special ad valorem tax for the maintenance and operation of the (insert name) public library district, provided that such special tax shall not exceed twenty cents on each one hundred dollars of the assessed valuation of all property in the district?"

(3) If a majority of those voting in each county on the question favor the establishment of a public library district it shall be so established and shall constitute and be a taxing district within the meaning of Section 157 of the Constitution of Kentucky.

(4) All special ad valorem taxes authorized by this Act shall be collected in the same manner as are other county ad valorem taxes in each county affected and shall be turned over to the board as the governing body of the district. The special ad valorem tax shall be in addition to all other ad valorem taxes.

Section 4. Upon the creation of a district, the fiscal court of each county in the district shall at once notify the Library Extension Division of the establishment of the district. The Library Extension Division shall then recommend to the county judge of each county in the district the names and suitable persons from that county to be appointed to the board. The Library Extension Division in recommending persons to the county judge for appointment to the board shall recommend twice as many persons for each county as the county is entitled to have members appointed, and the county judge shall immediately make his selection from those recommended. Where the district consists of one county, the county judge shall appoint five persons from that county as members. The Library Extension Division shall prescribe by regulation the number of board members when the district consists of more than one county, provided that the board shall consist of not less than one nor more than four members from each county, each county having such number of members as the proportion of its population bears to the total population in the district, and that the total membership of the board consist of not less than five members. Where a county joins an already established district, the Library Extension Division shall recommend to the county judge of each county included in the new district twice as many persons for appointment to the board as the county is entitled to have appointed, and the county judge shall select the members for his county from this list. The terms of the members of the counties composing the previously existing district shall expire immediately upon the organization of the new board.

Section 5. (1) One-third of the persons first appointed to the board shall serve for a term of two years, one-third for a term of three years and one-third for a term of four years. Where the board consists of a number of members not divisible by three, one-third of the next higher number divisible by three, shall serve for a term of two years, one-third for a term of three years and the remaining number shall serve for a term of four years. Thereafter, as their terms expire, their successors shall be recommended and appointed in the same manner, but for a term of four years each. The members shall hold office until their respective successors are appointed and qualified.

(2) Any vacancy occurring in the terms of office of members shall be filled for the unexpired term by the county judge by appointment on recommendation of the Library Extension Division of two names for each vacancy from the county in which the vacancy occurred.

Section 6. Each board shall be a body corporate under the name and style of "———— Public Library District Board of Trustees." The members shall, as soon as possible after their appointment, adopt a seal and organize by electing a president, a secretary and a treasurer, each to serve for a term of two years and until his successor is elected and qualified. The treasurer shall give bond to the Commonwealth for the faithful performance of his duties, in such sum and form and with such sureties as the board shall approve. A majority of the board shall constitute a quorum.

Section 7. The members of the board shall not receive compensation for their services, but shall be reimbursed for their actual expenses necessarily incurred in the performance of their duties, upon vouchers duly approved by the board, signed by the secretary and countersigned by the president.

Section 8. (1) The board shall establish, equip and maintain libraries or contract with existing libraries for the furnishing of library service for the district and do all things necessary to provide efficient library service. No district shall establish a library unless the plans for the establishment, equipment and maintenance have been approved by the Library Extension Division. No contract shall be made unless the libraries contracting to furnish service are libraries approved by the Library Extension Division for this purpose. The board shall meet annually and at such other times as it deems necessary.

(2) The district, as a body corporate, by and through the board may:

(a) Sue and be sued, complain and defend, purchase, or lease grounds, purchase, lease, occupy or erect appropriate buildings for the use of the district libraries and their branches, sell and convey real and personal property for and on behalf of the district, receive gifts of real and personal property for the use and benefit of the district, the same when accepted to be held and controlled by the board according to the terms of the deed, gift, devise or bequest of such property.

(b) Borrow money on the credit of the board in anticipation of the revenue to be derived from taxes levied by the district for the fiscal year in which the money is borrowed, and to pledge the taxes levied for the district for the payment of the principal and interest of the loan. The interest paid shall not exceed six percent per annum and the principal shall not exceed fifty percent of the anticipated revenue for the fiscal year in which the money is borrowed.

(c) Establish bylaws it deems necessary and expedient to define the duties of officers, assistants or employes and make all necessary rules and regulations governing libraries and library service within the district.

(3) The board in exercise of its powers shall be guided by the regulations and requirements of the Library Extension Division.

(4) The powers set forth in this section shall not be construed to limit, restrict or modify any powers or authority granted by any other part of this Act or any other law not in conflict with the provisions of this section.

Section 9. The board shall appoint a district librarian and such assistant librarians as it deems necessary. The district librarian shall be certified in accordance with the provisions of KRS 171.240 to 171.300.

Section 10. The treasurer of the board shall:

(1) Have the custody of all money, securities and obligations belonging to that district, and shall disburse money only for the uses and purposes of the district and in the manner prescribed by the bylaws on itemized vouchers allowed by the board, signed by the secretary and countersigned by the president.

(2) Keep a full and accurate account of all receipts and payments in the manner directed by the bylaws, and such other accounts as the board prescribes.

(3) Render statements of accounts of the several books, funds and property in his custody when ever required by the board.

(4) Have all accounts and records fully made up to the last day preceding the annual meeting, and present the same to the board at its annual meeting.

Section 11. Every district established under this Act shall at all reasonable times keep open for the inspection of the Auditor of Public Accounts all of its records and books of accounts.

Section 12. The fiscal year of a district shall commence July 1st and close on June 30th.

Section 13. Within sixty days after the close of each fiscal year the board shall make a written report to the Library Extension Division. A copy of this report shall be filed with the county clerk of each county within the district. The report shall contain:

(1) an itemized statement of the various sums of money received for the district;

(2) an itemized statement of expenditures from the fund;

(3) a statement of the property acquired by devise, bequest, purchase, gift or otherwise during the fiscal year;

(4) a statement of the character of library service furnished to the district during the fiscal year; and

(5) any other statistics or information requested by the Library Extension Division.

Section 14. (1) The board may, in its discretion, employ or retain a regularly licensed attorney to advise them on all matters pertaining to their duties and shall have the discretion to delegate such authority to said attorney not forbidden by law. The attorney so employed or retained shall attend all meetings of the board, except executive sessions when the board does not desire his presence, when ever the board requests him to attend and shall advise the board on all legal matters on which he is requested to give advice.

(2) The board may fix the salary or compensation of the attorney provided for in subsection (1) of this section, in its discretion.

Section 15. Public library district librarians shall be required to attend all library workshops sponsored by the Library Extension Division, the actual and necessary expenses incident thereto being a charge against the district library fund.

Section 16. Public library districts may, in addition to all other methods provided by law, acquire, construct, and improve library facilities through the issuance of revenue bonds under the terms and provisions of KRS 58.010 to 58.140.

Section 17. (1) The special ad valorem tax rate for the maintenance and operation of a public library district provided for by Section 3 of this Act shall not be increased or decreased unless it is submitted to the voters of the district at a general election and approved by a majority of the votes cast on the issue. The board or any one hundred qualified voters residing within the district may file a duly certified copy of a resolution or petition with the clerk of each county within the district at least forty-five days prior to the election and the clerk shall thereupon cause the question to be placed upon the ballot in substantially the following form: "Are you in favor of increasing (or decreasing) from (insert amount) cents to (insert amount) cents on each one hundred dollars of the assessed valuation of all property in the (insert name of public library district) public library district the maximum tax which the district can impose for the maintenance and operation of (insert name of district) public library district?"

(2) Any increase provided for in subsection (1) of this section

shall not exceed twenty cents on each one hundred dollars of the assessed valuation of all property in the district.

Section 18. Counties outside of any existing district, and contiguous thereto, may be annexed to the district in the following manner:

(1) Upon filing with the fiscal court of a duly certified petition of one hundred or more qualified voters residing within each county proposed to be annexed, the fiscal court of each county in the district and each county proposed to be annexed shall adopt a resolution submitting to the qualified voters of the county the question as to whether the territory should be annexed. A certified copy of the order of the fiscal court shall be filed with the county clerk at least sixty days prior to the next general election and thereupon the county clerk shall cause the question to be placed upon the ballot.

(2) The question shall be in substantially the following form: "Are you in favor of annexing the following described territory (here describe the territory) to the (name district) public library district?"

(3) If the majority of those voting in each county on the question favor the annexation of the territory it shall be so annexed.

Section 19. A district may be dissolved in the following manner:

(1) Upon filing of a duly certified petition of ten percent or more of the qualified voters in the district or one hundred or more qualified voters in the district, whichever is more, the fiscal court of each county in the district shall adopt a resolution submitting to the qualified voters of the district the question as to whether the district shall be dissolved. A certified copy of the order of each fiscal court shall be filed with the county court clerk at least ninety days prior to the next regular election and thereupon the clerk shall cause the question to be placed upon the ballot.

(2) The question shall be in substantially the following form: "Are you in favor of dissolving the (insert name of district) public library district?"

(3) If a majority of those voting on the question within the district favor the dissolution such district shall thereupon be dissolved.

Section 20. All election authorized by this Act shall be held and conducted in all respects under the general election laws obtaining in this Commonwealth at the time of election.

Section 21. The results of the election in each county shall be certified by the county election commissioners to the county judge in each county. When more than one county is involved the county judges shall certify the results in their respective counties to the county judge of the county having the largest voting population.

SB 208, AN ACT relating to county forests.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. That Section 149.230 of the Kentucky Revised Statutes is amended to read as follows:

(1) Upon the estimate and recommendation of the fiscal court, the Budget Commission at the time of fixing the rate of the tax levies and making the appropriations for said county, may fix a tax levy which shall be uniform throughout the county for the purpose of creating and maintaining a county forestry fund and may make appropriations from such fund or from the general fund for the purchase and acquisition by the fiscal court of lands to be owned, held and maintained by such county for a permanent public forest.

(2) Where the funds acquired through operation of county forests pursuant to Section 2 hereof are insufficient for proper maintenance of such permanent public forests and where the fiscal court has by proper resolution delegated the supervision and maintenance of such forest to a park, playground and recreation board created pursuant to Chapter 97 Kentucky Revised Statutes, the fiscal court may appropriate from the forestry fund or from the general fund such sums as it feels are necessary for the proper maintenance and improvement of forest lands of said county.

Section 2. That Section 149.250 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any land which shall be acquired by any county for the purpose of a permanent public forest under the provisions of KRS 149.200 to 149.270, if not growing in timber at the time of acquisition, shall be planted to trees within a period of ten years after being acquired and any county is hereby empowered to raise a sufficient sum by taxation to reforest any such land within the required period of time. All revenue derived from such forest land by the sale of timber or otherwise shall accrue to the use of the county owning and holding such land. Such revenue shall be applied first to the upkeep and maintenance of such public forest and secondly for the purchase and acquisition of such additional lands as shall be determined upon by said fiscal court and the remainder of such revenue shall be used by the county owning and holding such forest land as the fiscal court shall determine from year to year.

(2) Whenever a fiscal court has delegated the power to maintain a county forest pursuant to Section 1 hereof to a park, playground and recreation board organized under Chapter 97 Kentucky Revised Statutes, the planting of trees in said forest and the harvesting of said forest shall be managed by said board so long as said power is delegated to it and revenue received from said forestry operation including the sale of timber or otherwise may be expended by said board in the reasonable upkeep and maintenance of such public forest.

Section 3. That Section 149.260 of the Kentucky Revised Statutes is amended to read as follows:

(1) All lands acquired under the provisions of KRS 149.200 to 149.270 shall be protected at all times, as far as possible, from fire and grazing, and shall be kept and maintained as a permanent public forest, and the timber growing thereon shall be cut in accordance with approved forestry methods and in such manner as to perpetuate succeeding stands of trees. All such forest lands shall be open to the use of the public for recreational purpose when deemed desirable by the Fiscal Court, or its duly authorized park, playground and recreation board.

(2) Whenever the fiscal court of a county has delegated maintenance and operation of a forest as provided in Section 1 of this chapter to a duly organized park, playground and recreation board, the management of recreation and recreation facilities in said park shall be vested in said board.

Section 4. That Section 149.270 of the Kentucky Revised Statutes is amended to read as follows:

(1) Such public forests shall be under the supervision of the fiscal court and it is hereby authorized and empowered, either separately or in cooperation with other boards or commissions, to employ necessary and competent supervisors and laborers to properly protect and care for such forests and to perform the necessary duties connected therewith and any county owning and holding land as a public forest shall at all times have the privilege of obtaining the advice, counsel and cooperation of the Division of Forestry in the Department of Conservation in the planting of trees, the marketing of timber, the prevention of fire, and in any matter that may pertain to the efficient maintenance of such public forest, provided, however, that where a park, playground and recreation board has been established in a county by action of a fiscal court as authorized by Chapter 97 Kentucky Revised Statutes, the fiscal court of said county may by resolution delegate the management, control and operation of such forest including supervision of such public forest and employment of supervisors and laborers to properly protect and care for such forest and to perform the necessary duties connected therewith to such park, playground and recreation board.

SB 113, AN ACT relating to the licensing and regulation of the sale of agricultural limestone.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act unless the context otherwise requires:

(1) "Department" means the Department of Agriculture, Labor and Statistics;

(2) "Commissioner" means the Commissioner of Agriculture, Labor and Statistics;

(3) "Owner" means any individual, firm, partnership, corporation, organization or association or any combination thereof who own a business for the purpose of manufacturing, processing, quarrying, mining or dredging of agricultural limestone which may be exposed or offered for sale in the Commonwealth of Kentucky;

(4) "Agricultural limestone" means limestone that is used for the purpose of neutralizing the acidity of soil and thereby improving its fertility.

Section 2. On or before July 1, 1960, and on or before July 1 of each year thereafter, any owner who conducts a business for the purpose of offering or exposing for sale agricultural limestone shall register with the department, on a form supplied by the department, before such owner shall engage in any business in Kentucky. Every owner shall register annually thereafter with the department and shall pay an annual fee of ten dollars for each place of business maintained in Kentucky during the year. The registration and annual fee shall also be paid by any owner maintaining a place of business outside Kentucky but engaging in business within Kentucky. Every nonresident owner shall designate a resident agent upon whom service of notice or process may be made to enforce the provisions of this Act or any liabilities arising from violations of this Act.

Section 3. The commissioner shall have the power to promulgate, alter or rescind any rules or regulations for the enforcement of this Act and the following matters:

(1) Standards or specifications regarding the calcium carbonate content of agricultural limestone as determined by chemical analysis, and in conformity to acceptable United States Department of Agriculture standards;

(2) Size of particles of limestone as measured by wire mesh screen determination, and in conformity to acceptable United States Department of Agriculture standards;

(3) Furnishing of reports and information necessary for the department to carry out the provisions of this Act.

Section 4. The commissioner may employ such personnel as he may deem necessary for the proper enforcement of this Act.

Section 5. The department's authorized representative shall have the authority to enter upon public and private premises or to stop public and private conveyances for the purpose of inspection and to obtain samples of agricultural limestone.

Section 6. A license may be revoked at any time for just cause as hereinafter provided. Grounds for revocation of a license are as follows:

(1) Material misrepresentations made for the purpose of defrauding any member of the public or the sale of any materials which do not conform to the standards prescribed by the commissioners or as set forth in this Act by an owner or any regular employe, solicitor, agent, or representative of the owner.

(2) Failure by the owner to pay any final judgement rendered against any owner or regular employee, solicitor, agent, or representative of said owner by reason of violations of any provisions of this Act.

Section 7. The commissioner shall notify any applicant or owner by registered mail of any decision to refuse to grant a license or to revoke a license within ten days after such decision, and the applicant or owner shall have thirty days after such notification within which to petition the commissioner for a rehearing. The commissioner shall within ten days after the said rehearing notify the applicant or owner of his decision, and if the decision be unfavorable, said applicant or owner shall have thirty days within which to appeal such decision to the Franklin Circuit Court. If the owner takes such appeal within the time herein provided, the revocation by the commissioner shall not become final until finally adjudicated, however the commissioner may require the posting of a reasonable and appropriate bond pending final adjudication.

Section 8. All monies received from the license fees and fines collected by the department hereunder shall be deposited to a revolving fund in the State Treasury to be used for the administration and enforcement of this Act.

Section 9. Any person violating any of the provisions of this Act shall upon conviction thereof be guilty of a misdemeanor. Each separate violation of this Act shall constitute a separate offense and be punishable by a fine of not less than fifty dollars nor more than three hundred dollars or by imprisonment in jail for ninety days, or both.

Section 10. For the administration and enforcement of this Act, the sum of fifteen thousand dollars is appropriated from the General Expenditures Fund for the 1960-1962 biennium.

SB 89, AN ACT relating to penalties for violation of laws relating to motor vehicle operation and amending 189.990 of the Kentucky Revised Statutes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Subsection (1) of section 189.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who violates any of the provisions of KRS 189.020 to 189.040, subsections (1), (2) and (5) of KRS 189.050, KRS 189.060 to 189.080, subsections (1) to (3) of KRS 189.090, KRS 189.100, 189.110, 189.130 to 189.160, subsections (2) to (4) of KRS 189.190, KRS 189.200, 189.290, 189.300 to 189.360, KRS 189.380, KRS 189.390 except subsection (4) (c), KRS 189.400 to 189.430, 189.450 to 189.480, subsection (1) of KRS 189.520, KRS 189.540, subsection (1) of KRS 189.560, or KRS 189.570 to 189.630, except subsection (1) of KRS 189.580, shall be fined not less than ten dollars nor more than one hundred dollars for each offense. Any person who violates subsection (1) of KRS 189.580 shall be fined not less than ten dollars nor more than two thousand dollars, or imprisoned in the penitentiary for not more than one year, or both. Any person who violates KRS 189.390 (4) (c) shall be fined not less than one dollar nor more than twenty dollars. Neither court costs nor fees shall be taxed against any person convicted of violating KRS 189.390 (4) (c).

SB 88, AN ACT relating to motor vehicle registration.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Subsection (5) of Section 186.050 of the Kentucky Revised Statutes is amended to read as follows:

(5) Any farmer owning a truck having a gross weight of 24,000 pounds or less may have it registered as a farmer's truck and obtain a license for $4.50 by filing with the county clerk, in addition to other information required, an affidavit stating that he is a farmer engaged solely in the production of crops, livestock or dairy products, that he owns a truck of the gross weight of 24,000 pounds or less, that he has caused to be printed upon each side of the bed of the truck the words "Farmer's Truck" in conspicuous letters not less than three inches in height, and that during the next twelve months the truck will be used only in transporting persons, food, provender, feed and machinery used in operating his farm and the products grown on his farm.

SB 140, AN ACT relating to planning and zoning in cities of the first class and in counties containing such cities, amending KRS 100.088.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 100.088 is amended to read as follows:

When the commission has been appointed and organized, pursuant to the provisions of KRS 100.031 to 100.097, no person shall subdivide any land in which streets are created to give access to newly created lots without the approval of the commission. Any and all subdivisions shall be submitted in the form of a plat to the commission for its approval or disapproval. Each subdivision plat shall contain the name and address of the person or persons making the subdivision and applying for approval thereof, and the names and addresses of all owners of property adjoining the property to be subdivided. Any agreement between the parties affected by such subdivision in the nature of a restriction or covenant affecting or applicable to the land in the area within or bordering upon such subdivision shall be filed with and referred to upon the plat. Within thirty days after any such application the commission shall hold a public hearing thereon, and shall, not less than five days before the date fixed for such hearing, send written notices thereof to all persons whose names and addresses are stated on said plat, unless the applicant for such approval and all such persons waive such notice. The commission shall have the power to fix, or to agree with the applicant and the adjoining and adjacent property owners upon, the use, height, area or bulk requirements or restrictions governing buildings and premises within the subdivision, provided such requirements or restrictions do not authorize the violation of any then existing zoning plan, regulation or restriction. Within thirty days after such hearing the commission shall approve or disapprove such plat, unless additional time is necessary to enable the commission to make a thorough investigation of the proposed plat. In which event the commission may extend such period, but such extension shall not exceed sixty days.

Section 2. Inasmuch as there is an immediate need for the amendment proposed herein, an emergency is hereby declared to exist and this Act shall be effective immediately upon its passage and approval by the Governor.

Report on Enrolled Bills

Committee on Enrollment reported **HB 179**, **HB 184**, **HB 193**, **HB 264**, **HB 274**, **HB 275**, **HB 301** and **HB 319** had been examined and found correctly enrolled. **HB 179**, **HB 184**, **HB 193**, **HB 264**, **HB 274**, **HB 275**, **HB 301** and **HB 319** read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 179, **HB 184**, **HB 193**, **HB 264**, **HB 274**, **HB 275**, **HB 301** and **HB 319** delivered, signed by President of the Senate. Ordered delivered to the Governor.

Orders of the Day

HR 124, by Representative Robinson:

HR 124 A RESOLUTION commending Meade Memorial High School's basketball team.

WHEREAS, the basketball team of Meade Memorial High School has been triumphant in the Fifteenth Regional High School Basketball Tournament; and

WHEREAS, by virtue of its victory the team now goes to the Forty-third Annual Kentucky High School Basketball Tournament in Louisville;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the basketball team of Meade Memorial High School be, and it hereby is, congratulated and commended for its victory in the Fifteenth Regional High School Basketball Tournament.

Section 2. That the Clerk of the House of Representatives forward copies of this Resolution to the coach and each of the players on the basketball team of Meade Memorial High School.

Representative Robinson moved to adopt **HR 124.** Agreed.

SB 93 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 88—Alexander, Barton, Bates, Baumgardner, Brizendine, Burress, C. C. Carter, Earl Carter, Castle, Childress, Chumbler, Clark, Cole, Colley, Cook, Paul Cornett, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Faulkner, Fern, Fields, Ford, Garner, Griffin, Hahn, Haley, Hall, Hampton, Hardwick, Harris, Hays, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, L. F. Morgan, Murphy, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Roberts, Robinson, Slusher, A. C. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 0. **SB 93** was passed and the title agreed to.

SB 135 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 85—Alexander, Barton, Bates, Baumgardner, Brizendine, Burress, Castle, Childress, Chumbler, Clark, Cole, Colley, Cook, Paul Cornett, Cottengim, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Faulkner, Fern, Ford, Garner, Griffin, Hahn, Haley, Hall, Hardwick, Harris, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, L. F. Morgan, Murphy, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Rayburn, Render, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Treas, Tucker, G. T. White, J. E. White, Wood, Young. Nays 0. **SB 135** was passed and the title agreed to.

SB 184 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Ray moved to amend SB 184 as follows: "Amend printed copy of **SB 184** on page 11, section 1 between lines 284 and 285 by inserting between lines 284 and 285 the following: "424.360. Invitation to bid on municipal bonds. No sale of general obligation bonds or revenue bonds of any governmental unit or political subdivision, or agency thereof, shall be made except upon newspaper advertisements for bids, published for the publication area constituted by the political subdivision or government unit and published to afford statewide notice. If the bonds are in principal amount of fifty thousand dollars or more, an advertisement for bids shall also be published in a publication having general circulation among bond-buyers." Agreed. "Amend printed copy of **SB 184** on page 5, section 1, line 107 by adding to line 107 in paragraph (c) the following sentence: The provisions of this subparagraph shall not be construed to require the advertisement of notice of delinquent state taxes which are collected by the State." Agreed.

"Amend printed copy of **SB 184** on page 1, section 1, line 3 by deleting line 3 in its entirety and inserting in lieu thereof the following: "424.340, 424.360 and 424.990 of the Kentucky Revised Statutes are" Agreed.

On the roll call, the vote was yeas 74—Alexander, Bates, Baumgardner, Brizendine, Castle, Childress, Chumbler, Clark, Cole, Colley, Cook, Paul Cornett, Cottengim, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Edmunds, Ellis, Farmer, Fern, Fields, Ford, Garner, Hahn, Haley, Hall, Hampton, Harris, Hays, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Lankford, Lyon, Ben Martin, C. H. Martin, Miller, Moloney, Murphy, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Roberts, Robinson, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Treas, Tucker, G. T. White, J. E. White, Wood. Nays 0. **SB 184** was passed and the title agreed to.

Representative Ray moved the adoption of **SR 30.** Agreed.

SR 30, A CONCURRENT RESOLUTION memorializing Congress to increase tobacco allotments by five to ten percent.

WHEREAS, the burley industry has underproducted actual requirements by 220,000,000 pounds in the last five years;

WHEREAS, burley consigned to government loan agencies is dwindling at an alarming rate, as is also tobacco held by co-operatives, because of the lack of production;

WHEREAS, if production of burley tobacco is not soon increased, buyers will seek types other than burley to supply their needs which are not subject to market quotes to the detriment of the quality of tobacco used in tobacco products; and

WHEREAS, the only solution to the present injurious conditions is increased production;

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That the Congress of the United States be and is memorialized to increase tobacco allotments by five to ten percent, whereby each state's allotment shall be increased in same proportion as now exists.

Section 2. That a copy of this Resolution be sent to each member of Congress from Kentucky.

Representative Ray moved the adoption of SR 37. Agreed.

SR 37 A CONCURRENT RESOLUTION memorializing Congress to return to the Commonwealth of Kentucky certain moneys.

WHEREAS, the tax rate now imposed on distilled spirits and cigarette products is to be reduced after June 30, 1960; and

WHEREAS, in the past Congress has extended such tax rates so that the applicable rates were not reduced; and

WHEREAS, the Commonwealth of Kentucky produces the greatest amount of taxable bonded whiskey of any state; and

WHEREAS, tobacco production is of first importance in the agriculture of the Commonwealth of Kentucky:

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That the Congress of the United States be memorialized and requested that, if the additional tax of one dollar and fifty cents on distilled spirits or the additional tax of fifty cents on cigarette products herein referred to be imposed, the total increase thereof received from sources in the Commonwealth of Kentucky be refunded to this Commonwealth for the use and benefit of the General Fund.

Section 2. That a copy of this Resolution be sent to each member of Congress from Kentucky.

SB 132 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 79—Barton, Bates, Baumgardner, Brizendine, Buckman, Burress, C. C. Carter, Earl Carter, Castle, Caudill, Childress, Clark, Cole, Colley, Cottengim, Cowherd, Crecelius, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Fern, Fields, Hahn, Haley, Hampton, Hardin, Harris, Henry, Hill, Hinkle, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, L. F. Morgan, Murphy, Neel, Nichols, Osborn, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 5.—Garner, Hall, Hardwick, Hays and Hislope. **SB 132** was passed and the title agreed to.

SB 200 taken from Orders of the Day on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call the vote was yeas 87—Alexander, Bates, Baumgardner, Brizendine, Buckman, Burress, C. C. Carter, Earl Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Cottengim, Cowherd, Crecelius, Davis, Dean, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Faulkner, Fern, Fields, Ford, Garner, Hahn, Haley, Hall, Hampton, Hardin, Harris, Hays, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, L. F. Morgan, Murphy, Neel, Nichols, Osborn, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Reynolds, Roberts, Robinson, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 2—Griffin and Hardwick. **SB 200** was passed and the title agreed to.

Senate Message

Announcing passage of **SR 63, SB 267, SB 68, SB 243, HB 124, HB 181, HB 330, HB 373** and **HB 413.**

Orders of the Day

SB 137 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Repre-

sentative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 71—Barton, Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Earl Carter, Childress, Chumbler, Clark, Cole, Cottengim, Cowherd, Crecelius, Davis, Dean, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Faulkner, Fern, Fields, Garner, Hahn, Haley, Hampton, Harris, Henry, Hill, Hinkle, Houtchens, Hopkins, Irick, Isler, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, L. F. Morgan, Murphy, Neel, Nichols, Osborn, Ostertag, Osting, Parrish, Peniston, Quinn, Rausch, Ray, Render, Reynolds, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Tanner, Tucker, J. E. White, Wood, Young. Nays 5—Cook, Griffin, Hardwick, Hays and Hislope. SB 137 was passed and the title agreed to.

SB 230 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 81—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Cottengim, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Dowell, Edmunds, Ellis, Farmer, Fern, Fields, Ford, Hahn, Haley, Hall, Hampton, Hardin, Harris, Hays, Hill, Hinkle, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Fred Morgan, L. F. Morgan, Murphy, Neel, Nichols, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Render, Reynolds, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White, Wood, Young. Nays 6—Burress, Dobyns, Garner, Griffin, Hardwick, Spurrier. SB 230 was passed and the title agreed to.

SB 148 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 76—Alexander, Bates, Baumgardner, Brizendine, Buckman, Earl Carter, Caudill, Childress, Chumbler, Clark, Cole, Cook, Paul Cornett, Cottengim, Cowherd, Crecelius, Davis, Dean, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Faulkner, Fern, Fields, Garner, Griffin, Hahn, Haley, Hampton, Hardin, Harris, Hays, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, L. F. Morgan, Murphy, Nichols, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Render, Reynolds, Roberts, Robinson, A. C. Smith, Virgil Smith, Stacy, Steiger, Stidham, Treas, Tucker, G. T. White, Wood, Young. Nays 1—Hardwick. **SB 148** was passed and the title agreed to.

SB 136 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 78—Alexander, Bates, Baumgardner, Brizendine, Buckman, Earl Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Cook, Paul Cornett, Cottengim, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Fern, Fields, Garner, Griffin, Hahn, Haley, Hall, Hampton, Harris, Hays, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moorman, Fred Morgan, L. F. Morgan, Murphy, Nichols, Osborn, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Rayburn, Render, Reynolds, Roberts, Robinson, J. D. Smith, Virgil Smith, Stacy, Steiger, Tanner, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 1—Hardwick. **SB 136** was passed and the title agreed to.

SB 250 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Ray moved to amend **SB 250** as follows: "Amend printed copy of Senate Bill 250 on page 22, section 27, line 1 by deleting after Chapter the number "28" and substituting therefor the number "288". Agreed. "Amend printed copy of Senate Bill 250 on page 5, section 7, lines 5 through 9 by striking the last two sentences of Section 7 contained in lines 5 through 9." Agreed. "Amend printed copy of Senate Bill 250 on Page 5, section 6 (3), lines 18, 19 and 20 by striking said lines and substituting therefor the following: "shall give written notice to the director, who, if he finds that the interests of the community will be served thereby, shall" Agreed.

Representative Ray moved the Previous Question on **SB 250.** Agreed.

On the roll call, the vote was yeas 48—Bates, Baumgardner, Buckman, C. C. Carter, Earl Carter, Caudill, Childress, Cole, Cook, Cottengim, Cowherd, Crecelius, Davis, Dexter, Dobyns, Dowell, Farmer, Fern, Fields, Hahn, Haley, Hampton, Harris, Henry, Isler, Lankford, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Fred Morgan, Osborn, Osting, Qualls, Quinn, Rausch, Ray, Rayburn, Reynolds, Robinson, Slusher, A. C. Smith, J. D. Smith, Stacy, Steiger, Stidham, Young. Nays 40—Alexander, Burress, Castle, Clark, Colley, Cornett, Dean, Denham, Edmunds, Ellis, Faulkner, Ford, Garner, Griffin, Hardin, Hardwick, Hays, Hill, Hinkle, Hislope, Hopkins, Houtchens, Irick, Lovins, Lyon, Moorman, Nichols, Ostertag, Parrish, Peniston, Render, Roberts, Virgil Smith, Spurrier, Summe, Tanner, Wathen, Glen T. White, John E. White, Wood. **SB 250** was passed and the title agreed to.

Representative Ray moved that the vote by which said bill was passed be reconsidered and said motion be laid on table. Agreed.

HB 228 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Dexter moved to amend **HB 228** as follows: "Amend printed copy of **HB 228** on page 1, line 3 by amending line 3 to read as follows: "Except as otherwise provided in KRS 96.550 to 96.900 the legislative body of any city of the third through sixth classes inclusive may, by ordinance, provide" Agreed.

On the roll call, the vote was yeas 70—Alexander, Barton, Baumgardner, Burress, C. C. Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Cowherd, Crecelius, Davis, Dean, Dexter, Dobyns, Dowell, Farmer, Faulkner, Fields, Ford, Garner, Hahn, Haley, Harris, Henry, Hill, Hinkle, Houtchens, Hopkins, Irick, Isler, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moorman, Fred Morgan, L. F. Morgan, Murphy, Nichols, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Reynolds, Robinson, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Treas, Tucker, G. T. White, J. E. White, Wood, Young. Nays 0. **HB 228** was passed and the title agreed to.

HB 201 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 59—Barton, Baumgardner, Brizendine, C. C. Carter, Castle, Childress, Chumbler, Clark, Cole, Colley, Paul Cornett, Cottengim, Cowherd, Crecelius, Dexter, Dobyns, Dowell, Ellis, Farmer, Fern, Fields, Ford, Griffin, Haley, Hall, Hampton, Henry, Hinkle, Hopkins, Irick, Isler, Lankford, Lyon, Ben Martin, Miles, Miller, L. F. Morgan, Murphy, Neel, Ostertag, Osting, Parrish, Quinn, Rausch, Ray, Render, Robinson, Slusher, A. C. Smith, Virgil Smith, Stacy, Steiger, Stidham, Tanner, Treas, Tucker, G. T. White, J. E. White, Young. Nays 8—Alexander, Cook, Edmunds, Garner, Hardwick, Hill, Hislope, Peniston. **HB 201** was passed and the title agreed to.

HB 497 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Repre-

sentative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Ray moved the Previous Question on **HB 497.** Agreed.

On the roll call, the vote was yeas 58—Bates, Baumgardner, Brizendine, Buckman, Castle, Childress, Chumbler, Cole, Colley, Cottengim, Crecelius, Davis, Dexter, Dobyns, Dowell, Ellis, Farmer, Fern, Fields, Haley, Hardwick, Henry, Hinkle, Houtchens, Irick, Lankford, Lyon, Ben Martin, C. H. Martin, Miller, Moloney, Moorman, L. F. Morgan, Murphy, Nichols, Osborn, Ostertag, Osting, Parrish, Qualls, Quinn, Ray, Render, Reynolds, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Tanner, Treas, Tucker, G. T. White, J. E. White, Young. Nays 25—Alexander, Barton, Burress, Clark, Cook, Cornett, Edmunds, Faulkner, Garner, Griffin, Hall, Hampton, Hardin, Harris, Hays, Hill, Hislope, Isler, Miles, Fred Morgan, Peniston, Spurrier, Summe, Wathen, and Wood. **HB 497** was passed and the title agreed to.

HB 437 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Ray moved the Previous Question on **HB 437.** Agreed. Representative Wathen moved to reconsider the Previous Question on **HB 437.** Rejected.

On the roll call, the vote was yeas 95—Alexander, Barton, Baumgardner, Brizendine, Buckman, Burress, C. C. Carter, Earl Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Paul Cornett, Cottengim, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Dowell, Ellis, Farmer, Faulkner, Fern, Fields, Ford, Garner, Griffin, Hahn, Haley, Hall, Hampton, Hardin, Hardwick, Harris, Hays, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, L. F. Morgan, Murphy, Neel, Nichols, Osborn, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Reynolds, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Spurrier, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 0. **HB 437** was passed and the title agreed to.

Representative Ray moved that the vote by which said bill was passed be reconsidered and said motion be laid on the table. Agreed.

HB 505 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Ray moved to amend **HB 505** as follows: "Amend printed copy of **HB 505** on page 9, section 7, line 18 by deleting therefrom the word "thirty" Agreed. "Amend printed copy of **HB 505** on pages 38-39, section 37, lines 1 through 20, by deleting Section 37 in its entirety." Agreed.

"Amend printed copy of **HB 505** on page 1, section 1, line 8 so that line 8 reads as follows: "equal to one-thousandth of one percent upon the amount of the" Agreed.

"Amend printed copy of **HB 505** on page 2, section 2, line 10 so that line 10 reads as follows: "ment one-thousandth of one percent of the amount of such" Agreed. "Amend printed copy of **HB 505** on page 72, section 1, line 72 by inserting between line 72 and line 73 the following: Upon application and proof of previous compliance with the payment and reporting of the tax in accordance with the applicable regulations, the department may substitute bond, with or without approved surety, as determined in its discretion upon consideration of the financial condition of the applicant, for one-half of the advanced payments made pursuant to subsections (2) and (3) of this section, and the amount of such prepayment for which bond is substituted shall be applied as credits on the tax due by such brewer. The balance of such prepayments shall be refunded, in cash or by credit, only at such time as the brewer ceases doing business in Kentucky in accordance with the rules and regulations of the department." Agreed.

Representative Ray moved the Previous Questions on **HB 505.** Agreed.

On the roll call, the vote was yeas 52—Barton, Baumgardner, Brizendine, Castle, Childress, Chumbler, Cole, Colley, Cottengim, Cowherd, Dexter, Dobyns, Ellis, Farmer, Fern, Fields, Hahn, Hampton, Hill, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miller, Moorman, L. F. Morgan, Murphy, Neel, Nichols, Osborn, Ostertag, Osting, Quinn, Rausch, Ray, Render, Reynolds, Roberts, Robinson, A. C. Smith, J. D. Smith, Virgil Smith, Steiger, Stidham, Tanner, Tucker, Young. Nays 27—Alexander, Burress, Chas. C. Carter, Cook, Cornett, Crecelius, Dean, Garner, Griffin, Haley, Hall, Hardin, Hardwick, Hays, Henry, Hislope, Miles, Fred Morgan, Nolan, Parrish, Peniston, Slusher, Spurrier, Stacy, Summe, Wathen, Glen T. White. **HB 505** was passed and the title agreed to.

Representative Ray moved that the vote by which said bill was passed be reconsidered and said motion be laid on the table. Agreed.

HB 402 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 54—Baumgardner, Brizendine, Earl Carter, Castle, Childress, Chumbler, Clark, Cole, Cowherd, Crecelius, Davis, Dean, Dexter, Dobyns, Ellis, Faulkner, Fern, Fields, Hahn, Haley, Hinkle, Houtchens, Hopkins, Irick, Isler, Lovins, Lyon, Ben Martin, Miles, Miller, Moorman, Nichols, Nolan, Osborn, Ostertag, Osting, Peniston, Quinn, Rausch, Rayburn, Render, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Tanner, Treas, Tucker, G. T. White, Wood, Young. Nays 1—Burress. **HB** 402 was passed and the title agreed to.

HB 405 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 51—Alexander, Baumgardner, Brizendine, C. C. Carter, Castle, Caudill, Childress, Clark, Cole, Cottengim, Crecelius, Dexter, Dobyns, Ellis, Fern, Hahn, Haley, Henry, Hinkle, Houtchens, Hopkins, Irick, Isler, Lovins, Ben Martin, C. H. Martin, Miles, Miller, Moorman, Nichols, Nolan, Osborn, Ostertag, Osting, Parrish, Peniston, Quinn, Rausch, Rayburn, Render, Robinson, J. D. Smith, Virgil Smith, Stacy, Steiger, Tanner, Treas, Tucker, Wathen, Wood, Young. Nays 4—Burress, Garner, Hays, and Summe. **HB** 405 was passed and the title agreed to.

HB 338 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Ostertag moved to amend **HB** 338 as follows: "Amend printed copy of **HB** 338 on pages 1 and 2, section 1, lines 1 through 23, inclusive by striking said Section 1 in its entirety." Agreed.

On the roll call, the vote was yeas 31—Barton, Castle, Cole, Cook, Paul Cornett, Davis, Denham, Dobyns, Ellis, Faulkner, Ford, Garner, Houtchens, Irick, Isler, Lyon, Ben Martin, Murphy, Nolan, Ostertag, Osting, Roberts, Robinson, Slusher, J. D. Smith, Virgil Smith, Steiger, Stidham, Summe, Tanner, J. E. White. Nays 25—Alexander, Caudill, Chumbler, Cowherd, Dean, Fern, Haley, Hampton, Henry, Hill, Hinkle, Lankford, C. H. Martin, Moloney, Moorman, Osborn, Parrish, Peniston, Rayburn, Albert C. Smith, Spurrier, Stacy, Treas, Glen T. White, Wood. **HB** 338 was rejected.

HB 513 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 67—Alexander, Barton, Baumgardner, Earl Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Paul Cornett, Cowherd, Crecelius, Dean, Denham, Dexter, Dobyns, Ellis, Farmer, Faulkner, Fern, Ford, Hahn, Haley, Hampton, Hill, Hinkle, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miller, Moloney, Moorman, Neel, Nichols, Nolan, Osborn, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Rayburn, Render, Roberts, Robinson, Slusher, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Tanner, Tucker, G. T. White, J. E. White, Wood. Nays 0. **HB 513** was passed and the title agreed to.

HB 433 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 35—Baumgardner, Earl Carter, Castle, Caudill, Childress, Cole, Crecelius, Dobyns, Ellis, Fern, Hahn, Haley, Henry, Hinkle, Houtchens, Hopkins, Irick, Isler, Lankford, Ben Martin, C. H. Martin, Miles, Miller, Osborn, Osting, Parrish, Peniston, Quinn, Ray, Robinson, Virgil Smith, Stacy, Steiger, Young. Nays 5—Alexander, Chumbler, Cowherd, Farmer, Garner, Rausch. **HB 433** was rejected.

HB 477 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 44—Earl Carter, Caudill, Chumbler, Clark, Cole, Colley, Cook, Crecelius, Davis, Dean, Dexter, Dobyns, Fields, Ford, Garner, Hays, Henry, Hill, Hinkle, Hopkins, Irick, Lankford, Lyon, Ben Martin, Miller, Nolan, Osborn, Parrish, Peniston, Quinn, Rausch, Ray, Render, Reynolds, Roberts, Robinson, Slusher, Virgil Smith, Stacy, Tanner, Tucker, J. E. White, Wood, Young. Nays 8—C. C. Carter, Castle, Ellis, Haley, Hall, Isler, C. H. Martin, Rayburn. **HB 477** was passed and the title agreed to.

HB 462 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 75—Alexander, Barton, Baumgardner, Brizendine, Burress, C. C. Carter, Earl Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Paul Cornett, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Ellis, Fern, Fields, Ford, Garner, Hahn, Haley, Hall, Hampton, Hardin, Hays, Henry, Hill, Hinkle, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Nichols, Nolan, Osborn, Parrish, Peniston, Qualls, Rausch, Ray, Render, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Spurrier, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White, Wood, Young. Nays 0. **HB 462** was passed and the title agreed to.

Introduction of Bills

HB 547, by Representative Lyon: AN ACT relating to county justices' districts and repealing KRS 25.680, 25.690 and 25.700.

Calendar

HB 261, HB 510, HB 543, SB 214, HB 461, SB 266, HB 535, SB 239, SB 246, SB 263, SB 203, SB 219, SB 150, SB 257, HB 452, HB 136, HB 512, HB 541, HB 161, HB 374, SB 102, HB 545, HB 538, HB 480, HB 509, and **HB 482** were taken from the Calendar and ordered read at length for the second time. Representative Ray moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Representative Ray moved to adjourn until 1:00 P.M., March 16. Agreed.

FIFTY-EIGHTH LEGISLATIVE DAY

WEDNESDAY, MARCH 16, 1960

The House was called to order by the Speaker.

Invocation by the Reverend John C. Chenault of the First Christian Church of Frankfort.

The roll was called. All present except Representatives Fitzpatrick, Hardin, Reynolds and Tanner who were granted leave of absence on motion of Representative Lyon.

Reading of the Journal for March 15, dispensed with and approved on motion of Representative Isler.

Introduction of Resolution

HR 126, by Representatives, Lowman, Haley:

HR 126, A RESOLUTION appointing the Honorable Dr. Mitchell B. Denham official House Physician.

WHEREAS, the closing days of any session of the General Assembly are apt to be fraught with tension, confusion, and a burdensome work schedule; and

WHEREAS, such conditions lead to nervousness, nausea, migraine, myopia, uneasiness, ulcers, neurosis, phycosis, impaired circulation of the blood in the lower extremities, diziness, dyspepsia, dysphagia, dysphonia, dysphoria, and broadening of the posterior; and

WHEREAS, many members of the House of Representatives have expressed concern for the health of their colleagues and themselves; and

WHEREAS, the Honorable Dr. Mitchell B. Denham is known far and wide for his excellence in the diagnosis and treatment of such diseases and conditions as commonly afflict members of the General Assembly;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That the Honorable Dr. Mitchell B. Denham be appointed the official physician for the House of Representatives of the Commonwealth of Kentucky and charged with the duty and responsibility of preventing, in so far as is possible, the above named ailments and disorders and taking all necessary steps to alleviate those that have unfortunately already occurred.

Representative Haley moved to adopt **HR 126**. Agreed.

Orders of the Day

Representative Dobyns moved that the vote by which **HB 500** was passed be reconsidered.

On the roll call, the vote was yeas 38—Bates, Baumgardner, Buckman, Earl Carter, Castle, Childress, Cole, Colley, Cottengim, Dean, Dexter, Dobyns, Faulkner, Hahn, Hardin, Hill, Isler, Lyon, Ben Martin, Miles, Miller, L. F. Morgan, Murphy, Nolan, Ostertag, Osting, Peniston, Qualls, Rausch, Rayburn, Render, Roberts, Robinson, J. D. Smith, Spurrier, Stacy, Stidham, Wathen. Nays 8—Alexander, Clark, Crecelius, Edmunds, Ellis, Fern, Irick, Moloney. The motion to reconsider was agreed.

Representative Haley moved that the vote by which **HB 338** was passed be reconsidered. Agreed.

On the roll call, the vote was yeas 46—Barton, Bates, Baumgardner, Brizendine, Buckman, Castle, Childress, Cole, Paul Cornett, Cottengim, Crecelius, Dexter, Dobyns, Edmunds, Ellis, Fern, Fields, Ford, Griffin, Hahn, Haley, Hall, Harris, Hislope, Hopkins, Isler, Ben Martin, Miles, Miller, Fred Morgan, L. F. Morgan, Murphy, Nolan, Ostertag, Osting, Peniston, Rousch, Rayburn, Roberts, Robinson, A. C. Smith, Stacy, Summe, Tucker, J. E. White, Wood. Nays 4—Burress, Garner, Henry and Moloney.

The motion to reconsider **HB 338** was agreed.

Senate Message

Announcing passage of **SR 62**, **SB 162**, **SB 157**, **SB 218**, **SB 282**, **SB 283**, **SB 284**, **HB 464**, **HB 383**, **HB 309**, **HB 268**, **HB 209** and **HB 250.**

Introduction of Resolutions

HR 125 by Representative Hislope:

HR 125, A RESOLUTION relating to a Special Session of the General Assembly.

WHEREAS, the majority of the people of the Commonwealth are sorely displeased with portions of the taxes imposed on all of the people; and

WHEREAS, most of our people strongly resent, and rightfully so, the tax on food and medicine; and

WHEREAS, the Holy Bible is now taxed by Kentucky law; and

WHEREAS, the people now pay tribute to the State on the purchase of accessories for the dead; and

WHEREAS, materials used to manufacture finished products are taxed, causing dual, triple and quadruple taxation; and

WHEREAS, there are now taxes on everything and everybody; and

WHEREAS, present industry is now leaving and new industry is now avoiding the Commonwealth; and

WHEREAS, the poor are in distress, the tax burden of labor is heavy, and all the people suffer under the yoke of inequitable taxes; and

WHEREAS, the unjust taxes are laboriously borne by an unwilling people; and

WHEREAS, it is common for all men to err, and customary for wise men to correct their mistakes;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That the members of the General Assembly use the grace of their good offices to cause the powers that be, and the power that now is, with great speed and urgent dispatch, to call a Special Session of the General Assembly for the purpose of amending the Sales Tax Act to exempt food, medicine, the Holy Bible, burial accessories and materials used in fabrication of finished products, and for the purpose of amending the Veterans Bonus Act to include all veterans from the Commonwealth who served in the armed forces.

Representative Hislope moved to adopt **HR 125.** Agreed.

HR 127 by Representatives Lowman, Hampton:

HR 127, A RESOLUTION naming Representative A. E. "Doc" Tucker official House Pharmacist.

WHEREAS, the House of Representatives of the Commonwealth of Kentucky in the nineteen hundred sixtieth year of our Lord, includes in its membership a registered and experienced pharmacist in the person of A. E. "Doc" Tucker; and

WHEREAS, the gentleman from Warren, in following his profession as a working pharmacist in the thriving City of Bowling Green, is known far and wide not only as a first class druggist whose talents are not limited to the mere rolling of pills and the stuffing of capsules but also as a friendly and helpful salesman who will buy, sell, trade, swap, give boot, take boot, or split the difference to please a customer; and

WHEREAS, the stress and strain of the current session has given rise to many a complaint on the part of the members of the House because of certain bills which have been passed, bills which have not been passed, the extremes of the weather, the press, the pressures et cetra, which require the advice and comforting words of a good family pharmacist; and

WHEREAS, Representative Tucker has met the challenge with true professional and pharmaceutical decorum during the session and has had his pockets well supplied at all times with pain relievers, alkalizers, tranquilizers, atomizers, breath sweeteners, sugar pills, vitamins and chewing gum for the use and benefit of his discomfitted colleagues;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky:

That A. E. "Doc" Tucker be and he is hereby officially named and appointed the official Pharmacist of the 1960 House of Representatives of the Commonwealth of Kentucky.

Representative Hampton moved to adopt **HR 127.** Agreed.

HR 128, by Representatives Faulkner, Clark:

HR 128, A CONCURRENT RESOLUTION memorializing Congress to expedite plans for a dam on Cumberland River at Bunche's Creek in Whitley County.

WHEREAS, Whitley County in Kentucky is in poor economic condition, as shown by the fact that about one third of the population is now receiving welfare or public aid of some kind;

WHEREAS, nine of every ten of its high school and college graduates must leave for employment elsewhere, and four out of every five of other wage earners must leave the county to earn money;

WHEREAS, more than two thirds of the county's payroll comes from tax money, federal, state and local;

WHEREAS, Whitley County alone is unable to promote any endeavor to ease the situation.

WHEREAS, a dam on Cumberland River at Bunche's Creek would do the following things:

1. Furnish all needed electric power and water for new industries.
2. Aid in flood control.
3. Call for a steam generating plant to use millions of tons of coal.
4. Attract plants to use pulp wood, of which Whitley County has millions of cords.
5. Attract food processing plants to process tons of vegetables produced annually.

6. Provide a recreational area which would attract millions of dollars annually from tourists;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the Congress of the United States is urged to act in the exercise of its broad legislative powers to provide a dam and necessary accessories to accomplish the desired purpose, and to cause such a program to be put into effect at the earliest possible time.

Section 2. That the Clerk of the Senate be and is hereby directed to send copies of this memorial, duly authenticated, to the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, to each of the Senators and Representatives from the Commonwealth now serving in the Congress, and to the Secretary of the Interior.

Representative Faulkner moved to adopt **HR 128.** Agreed.

Report of Committees

Committee on Rules reported **SB 197, SB 237, SB 68, SB 271, SB 272, SB 218, SB 282, SB 284, SB 166, SB 185, SB 193, SB 255,** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 197, AN ACT relating to judicial districts; creating an additional district and making changes in the apportionment of the counties to the Fourteenth District in order to comply with the meaning and intent of the the Constitution with respect to division of the State into judicial districts; providing for the continuation in office of the present Circuit Judge and Commonwealth's Attorney in the Fourteenth Judicial District, and creating the office of Circuit Judge and Commonwealth's Attorney for the new district established by this Act; providing for the holding of court in each district affected by this Act.

WHEREAS, the General Assembly has given due regard to the elements of territory, business, and population involved in the division of the State into judicial districts; and,

WHEREAS, with such regard, the General Assembly has found the following facts to exist:

(1) That the entire population of the state as of the last Federal Census is 2,944,806;

(2) That upon the basis of such population, additional judicial districts may be established to those now existing pursuant to Sections 128, 132, and 138 of the Constitution;

(3) That the County of Franklin contains a city of the second class of more than 20,000 inhabitants and has a population, including said city, of more than 40,000; that in said county there is an abnormal amount of litigation and the volume of business therein is such that, when combined with the court business of any other county, it is impossible for the court to transact its business in Franklin County without a long period of delay, inconvenience, and serious prejudice to the rights of litigants who are unable to obtain reasonably prompt disposition of their litigation;

(4) That the territory embracing the counties of Bourbon, Scott, and Woodford is such as to make it convenient and advantageous that those counties be joined in one judicial district; the population of those counties, area, and territory is such as is contemplated by the Constitution to be embraced in one judicial district; and,

WHEREAS, the General Assembly finds it to be the intent and purpose of Sections 128, 132, and 138 of the Constitution that the General Assembly may establish such number of judicial districts as may be required by reason of the exigencies of territory, business, and population, not exceeding one district for each 60,000 population of the State, excluding the districts in counties having a population of 150,000;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The Fourteenth Judicial District shall hereafter be composed of Bourbon, Scott, and Woodford Counties.

Section 2. A new judicial district is established to consist of Franklin County and be numbered the Forty-Eighth Judicial District.

Section 3. The offices of Circuit Judge and Commonwealth's Attorney for the new judicial district as established under this Act, being the Forty-Eighth Judicial District, are hereby created. Until the regular election for circuit judges and Commonwealth's attorneys, said offices shall be filled as provided in Section 152 of the Constitution for offices in which there is a vacancy.

Section 4. The present Circuit Judge and Commonwealth's Attorney for the Fourteenth Judicial District as now constituted shall retain their respective offices for the terms for which they were elected for the said Fourteenth Judicial District as it is changed under this Act, provided that the present Commonwealth's Attorney for the present Fourteenth Judicial District, being a resident of Franklin County, shall not be allowed to retain his said office, unless he shall move his residence, within a reasonable time, into one of the counties of the Fourteenth Judicial District as now changed under this Act.

Section 5. The regular term of each court in the judicial districts dealt with by this Act shall commence in each county at the following named time, and continue, if the business requires it, the number of days herein after prescribed:

Fourteenth District. Bourbon County, at Paris, on the first Monday in January and April, twenty-four juridical days; and the first Monday in September, twenty-four juridical days.

Scott County, at Georgetown, on the first Monday in February, May, and October, eighteen juridical days each.

Woodford County, at Versailles, on the third Monday in March and October and first Monday in December, twelve juridical days each.

Forty-Eighth Judicial District. Franklin County, at Frankfort, on the first Monday in January and February, eighteen juridical days each; on the first Monday in March, twenty-four juridical days; on the first Monday in April, May, and June, eighteen juridical days each; on the first Monday in September, October, and November, twenty-four juridical days each.

Section 5. This Act shall become effective on September 1, 1960.

Section 6. If any provisions or portions of this Act, or the applications of such provisions or portions to any judicial district affected hereby should be held invalid, the remainder of this Act, and the application of such remaining provisions to any other judicial district shall not be affected thereby.

SB 237, AN ACT relating to plumbers and plumbing.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 318.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in this Act, unless the context requires otherwise:

(1) "Board" means the State Board of Health;

(2) "Journeyman plumber" means a person who engages or offers to engage, either as an occupation or otherwise, in the construction, installation, alteration, maintenance, repair, remodeling or removal and replacement of plumbing under the supervision, direction and responsibility of a master plumber;

(3) "Master plumber" means a person who assumes responsible charge, supervision or direction of journeyman plumbers, plumbers' apprentices and other persons in the construction, installation or alteration of plumbing or who engages in, offers to engage in or advertises or otherwise represents that he is permitted or qualified to engage in the design, planning, superintending, contracting for or responsible charge of plumbing;

(4) "Plumbing" means the art of installing in buildings the pipes for distributing the water supply, the fixtures for using water and drainage pipes for removing waste water and sewage, together with fittings, appurtenances, and appliances of various kinds, all within or adjacent to the building. It shall include:

(a) The water service pipe which forms the connection between the property line and the building;

(b) Private water supply systems;

(c) House sewers which convey the waste water and sewage from the building to the property line or other points of disposal; and

(d) Storm sewers, rain water piping and private sewage disposal systems.

(5) "Department" means the State Department of Health;

(6) "Public buildings" means any building intended for public use or built with public funds and includes but is not limited to the following: Schools, industrial establishments, housing projects, restaurants, food handling establishments, private clubs, theaters including drive-ins, trailer coach parks, camping areas, hospitals, nursing homes, hotels, motels, tourist courts, rooming houses, boarding houses, and other establishments furnishing public sleeping accommodations;

(7) "Maintenance man" means a person employed to maintain and keep plumbing in good repair; and

(8) "Apprentice" means a person in the process of learning the plumbing trade who assists and is under the personal supervision of a licensed master or licensed journeyman plumber.

(9) "Farmstead" means a farm dwelling together with other farm building and structures incident to the operation and maintenance of the farm located outside the corporate limits of a municipality and not connected to a public water supply.

Section 2. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) This Act applies and shall be in full force and effect in counties containing a city of the first, second, or third class.

(2) The local board of health of any county, including those counties not containing a city of the first, second, or third class, may adopt the State Plumbing Code promulgated by the State Board of Health as a regulation for the county, including the reasonable schedule of fees and charges fixed by the State Board of Health as authorized by Section 18 (3) of this Act. After adoption of the State Plumbing Code by a local board of health, such code shall apply and be in full force and effect in such county and in all cities and towns therein.

(3) The State Plumbing Code promulgated by the board under the provisions of this Act applies and shall be in full force and effect for all public buildings regardless of location in the Commonwealth.

(4) This Act shall not apply to farmsteads.

Section 3. Section 318.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) Nothing contained in this Act shall be construed as prohibiting the employment of apprentices to assist licensed master or licensed journeyman plumbers in their duties.

(2) This Act shall not apply to anyone who is employed or acts as a maintenance man.

(3) This Act shall not apply to persons employed by any water company, water district or sanitation district, in the laying, maintenance, and operation of its mains and other appurtenances in the conduct of its business.

(4) The provisions of this Act relating to the licensure of plumbers shall not apply to persons engaged in the practice of plumbing in counties other than those containing cities of the first, second, or third class.

Section 4. Section 318.030 of the Kentucky Revised Statutes is amended to read as follows:

No person shall engage in plumbing or engage in or work at the trade of plumbing in any county containing a city of the first, second or third class:

(1) Unless he is the holder of a valid and effective master plumber's license duly issued by the department in accordance with the provisions of this Act or Chapter 318 of the Kentucky Revised Statutes; or

(2) Unless he is the holder of a valid and effective journeyman plumber's license duly issued by the department in accordance with the provisions of this Act or Chapter 318 of the Kentucky Revised Statutes.

Section 5. Section 318.040 of the Kentucky Revised Statutes is amended to read as follows:

(1) An applicant for a master or journeyman plumber's license shall:

(a) Be at least eighteen years of age;

(b) Be of good moral character;

(c) Be a citizen of the United States or has filed with the United States District Court "first papers" for United States citizenship; and

(d) Possess all the other qualifications that may be prescribed by rules and regulations of the board.

(2) Except as otherwise provided in this Act, no master or journeyman plumber's license shall be issued except upon a successful passage of an examination as prescribed by the department.

(3) Examinations for a license as a master plumber or journeyman plumber shall be conducted at such times and places as may be fixed by the regulations of the board. Applicants for an examination shall

furnish such information as may be required by the board and shall receive from the department due notice of the time and place of the examination.

(4) The department shall prepare or cause to be prepared under its supervision examinations consisting of written and practical tests with such questions and tests as in the discretion of the department will determine:

(a) With respect to master plumber's license applicants, that such applicants are qualified in view of the definitions, provisions, and purposes of this Act to carry on responsibly, reasonably, and competently, the activities which a licensed master plumber is authorized to engage in by this Act; and

(b) With respect to journeyman plumber's license applicants, their knowledge and competency to carry on the activities which a licensed journeyman plumber is authorized to engage in by this Act.

(5) The examination papers shall be preserved by the department for a period of one year.

Section 6. Section 318.050 of the Kentucky Revised Statutes is amended to read as follows:

The following application fees shall be paid to the department; they shall accompany the application for a license and shall not be refunded:

By an applicant for an examination for a license as a master plumber, twenty-five dollars.

By an applicant for an examination for a license as a journeyman plumber, ten dollars.

Section 7. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Every master and journeyman plumber's license issued by the department shall expire on June 30 of each year following the date of issuance unless sooner cancelled or revoked.

(2) On or before June 1 of each year, the department shall send notices to all licensed master and journeyman plumbers in this state, at their last known addresses, advising them that the annual license renewal fee is due on July 1. The annual license renewal fee shall be a reasonable fee set by regulation of the board. The fee for the renewal of a master plumber's license shall exceed the fee charged for a journeyman plumber's license.

(3) Any master or journeyman plumber who fails to renew his license on or before July 1 of each year may have his license renewed upon payment of the required renewal fee and a revival fee. The revival fee for a master plumber shall be five dollars and for a journeyman plumber three dollars. If the renewal and revival fees are not paid by January 1 of the following year, such licenses shall be auto-

matically cancelled by operation of law for nonpayment; provided, however, that such licenses may be reinstated upon payment of all delinquent renewal fees plus a revival fee of $10.00 for a master plumber and $6.00 for a journeyman plumber. Upon presentation of proper evidence, the department may waive payment of any renewal or revival fee specified herein for persons serving on active duty in the armed forces of the United States.

Section 8. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Persons actively engaged in the practice of plumbing as a master plumber in this state for a period of not less than five years prior to the effective date of this Act in a county or counties not heretofore subject to the provisions of Chapter 318 of the Kentucky Revised Statutes shall, upon furnishing adequate proof thereof to the department and upon payment of an application license fee of twenty-five dollars, be entitled to a master plumber's license without examination. Application for such a license shall be filed with the department not later than sixty days after the effective date of this Act.

(2) Persons actively engaged in the practice of plumbing as a journeyman plumber in this state for a period of not less than five years prior to the effective date of this Act in a county or counties not heretofore subject to the provisions of Chapter 318 of the Kentucky Revised Statutes shall, upon furnishing adequate proof thereof to the department and upon payment of an application license fee of ten dollars, be entitled to a journeyman plumber's license without examination. Application for such a license shall be filed with the department not later than sixty days after the effective date of this Act.

Section 9. Section 318.060 of the Kentucky Revised Statutes is amended to read as follows:

An applicant who fails an examination shall be eligible upon reapplication for the next regular examination upon the payment of an additional application fee. Applications shall be cancelled one year after receipt thereof, in the event the applicant fails to appear for examination.

Section 10. A new section of the Kentucky Revised Statutes is created to read as follows:

The department may revoke or suspend any plumber's license issued by it upon proof that the license has:

(1) Knowingly violated the provisions of this Act or the Kentucky State Plumbing Code, or the rules and regulations of the board;

(2) Practiced fraud or deception in applying for or obtaining a license;

(3) Is incompetent to perform services as a licensed master plumber or a licensed journeyman plumber;

(4) Permitted his license to be used directly or indirectly by another to obtain or perform plumbing work or services; or

(5) Is guilty of such other unprofessional or dishonorable conduct of a character likely to deceive or defraud the public.

Section 11. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) No license shall be suspended or revoked by the department unless a hearing has been conducted or an opportunity afforded therefor, at which the holder of the license shall have the right to be present in person or by counsel and to present evidence and be heard in his own behalf. The holder of the license shall be given written notice of the hearing at least thirty days prior to the date thereof. The notice shall state the time and place of the hearing and set forth the ground or grounds for the suspension or revocation in sufficient detail to apprise the holder of the license of the charges preferred against him. Upon failure of the holder of the license to respond to the complaint at or before the time of the hearing thereon, the allegations set forth in the complaint shall be taken by the department as confessed. Proceedings at such hearings shall be in accordance with the rules and regulations of the board.

(2) The department shall appoint and provide for a hearing officer to conduct such hearings. The hearing officer shall have authority to issue subpoenas for the attendance of witnesses and the production of papers and records, administer oaths, schedule hearings and otherwise act in the name and on behalf of the department, but shall not have authority to suspend or revoke licenses. He shall cause to be prepared and shall certify to the department a complete written transcript of the record of each hearing, including all pleas, motions and other papers relating thereto, for consideration and decision by the department. An order of the department suspending or revoking a license shall be effective thirty days after notice of the entry of such order is given the holder thereof.

(3) Each notice required by this section to be given a licensee shall be served by forwarding same by registered mail, postage prepaid, to the holder at his address as it appears in the records of the department.

(4) A licensee aggrieved by an order of the department suspending or revoking a license may, within thirty days after notice thereof, appeal therefrom to the board in the manner provided by Section 311.090 (1) (b) of the Kentucky Revised Statutes. The decision of the board shall be based on the transcript of evidence prepared by the hearing officer.

(5) A person aggrieved by an order of the board suspending or revoking a license may, within thirty days after notice of such suspension or revocation, appeal therefrom to the circuit court of the county in which the principal office of the department is located by filing a

statement of appeal therein together with an appeal bond with good and sufficient surety to secure the payment of any costs charged against him on the appeal. The cost of preparing and certifying the record shall be paid by the department by the appellant and taxed as costs in the action to be paid as directed by the court upon final determination of the action. The appeal shall be determined by the court upon the certified record and no new or additional evidence shall be heard or considered by the court.

(6) Either party aggrieved by a final order entered by the circuit court may appeal to the Court of Appeals as in a civil action.

Section 12. Section 318.080 of the Kentucky Revised Statutes is amended to read as follows:

(1) In order to conduct examinations for persons to qualify as licensed master plumbers or journeyman plumbers, the department shall appoint as examiners the following persons to a State Plumbers Examining Committee: The director of the Division of Engineering in the Department of Health, and three other persons who shall be licensed either as master or journeyman plumbers. The Commissioner of Health shall be an ex-officio examiner and permanent secretary of the committee. With the exception of the issuance of any order involving the revocation, suspension or cancellation of a master or journeyman plumber's license, the Commissioner of Health or the director of the Division of Engineering may delegate to a subordinate employee in the department the power to be present and participate, including the right to vote, as his representative at any meeting, hearing or other proceeding of the State Plumbers Examining Committee. Plumber examiners shall serve at the pleasure of the department.

(2) The department shall appoint assistant plumber examiners who shall be qualified licensed master or journeyman plumbers who shall serve at the pleasure of the department. Assistant plumber examiners shall perform such duties as are delegated to them by the State Plumbers Examining Committee.

(3) Plumber examiners and assistant plumber examiners shall receive no compensation for their services but shall be reimbursed for their necessary traveling expenses.

Section 13. Section 318.090 of the Kentucky Revised Statutes is amended to read as follows:

(1) The department shall appoint and assign plumbing inspectors to each county subject to the provisions of this Act and as provided in Subsection (3) of this section.

(2) Each plumbing inspector shall have at least eight years' experience as a journeyman or master plumber. At the time of his appointment he shall be licensed in accordance with the provisions of this Act.

(3) In counties other than those containing cities of the first, second or third class in which the local board of health has adopted the State Plumbing Code by regulation for the county, the department shall assign plumbing inspectors to such county in consideration of the plumbing installation permit fees collected by the local health department.

Section 14. Section 318.100 of the Kentucky Revised Statutes is amended to read as follows:

No person shall advertise or hold himself out as a licensed master or licensed journeyman plumber within the Commonwealth of Kentucky unless he is holder of a license from the State Department of Health in accordance with the provisions of this Act.

Section 15. Section 318.110 of the Kentucky Revised Statutes is amended to read as follows:

A company or individual principal may engage in the business of plumbing within a county containing a city of the first, second or third class if some person connected with such a company or individual principal in responsible charge of the plumbing work is a licensed master plumber. Any master plumber, in responsible charge of plumbing work for a company or individual engaged in the plumbing business, shall notify the department at any time he commences or severs his connection with the company or individual principal.

Section 16. Section 318.120 of the Kentucky Revised Statutes is amended to read as follows:

No person or corporation who assumes responsible charge and direction of other persons in the installation of plumbing and drainage in counties containing cities of the first, second or third class, shall employ or engage any person not licensed under this Act to perform and install plumbing and drainage. Provided, however, that this section shall not be deemed to prohibit the employment or use of apprentices as defined in this Act.

Section 17. Section 318.130 of the Kentucky Revised Statutes is amended to read as follows:

(1) In order to administer this Act, the board shall promulgate, and thereafter from time to time may amend, a code to be known as the Kentucky State Plumbing Code, regulating the construction, installation and alteration of plumbing and plumbing fixtures and appliances, house sewers or private sewage disposal systems and private water supplies, methods and materials to be used therein within this state, using as a minimum standard therefor the basic principles of the National Plumbing Code Coordinating Committee, as evidenced by that committee's final report of 1951 with such variations thereof or additions thereto as the board considers are warranted by local, climatic or other conditions. The code may also designate the number

of plumbing fixtures for public buildings. The board may adopt any other reasonable rule or regulation to administer this Act.

(2) All applications for plumbing installation permits shall duly promulgated by them on file with the Legislative Research Commission in Frankfort, Kentucky, on the effective date of this Act.

Section 18. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) In counties containing a city of the first, second, or third class, and in counties in which the State Plumbing Code has been adopted by regulation of the local board of health, no person, firm or corporation shall:

(a) Construct, install, or alter, or cause to be constructed, installed, or altered, any plumbing without first having procured a plumbing installation permit therefor from the department.

(b) Use or continue to use, or permit the use or continued use of, any plumbing constructed, installed, or altered under a plumbing installation permit issued therefor where the department, through a duly authorized inspector, employee or agent, finds that the plumbing was not constructed, installed or altered in accordance with such permit and the Kentucky State Plumbing Code.

(2) All applications for plumbing installation permits shall be accompanied by plans and specifications of the proposed plumbing installation, location and construction of water supply system, type of sewage disposal, location or septic tank, drain field or pit to be used. No plumbing installation permit shall be issued until plans of the sewage disposal have been submitted to and approved by the department together with the results of an approved percolation test.

(3) The board shall fix a reasonable schedule of fee and charges to be paid for plumbing installation permits and the necessary inspections incident thereto. The board shall also fix a reasonable schedule of fees and charges to be paid for necessary inspections of the construction, installation or alteration of plumbing in public buildings.

Section 19. A new section of the Kentucky Revised Statutes is created to read as follows:

All license fees, permit and inspection fees and charges, and other monies collected by the department, under the provisions of this Act and the rules and regulations of the board adopted hereunder, shall be paid into the State Treasury and credited to a trust and agency fund to be used by the department in carrying out the provisions of this Act. No part of this fund shall revert to the general fund of the Commonwealth. All monies held in a trust and agency fund or other fund to the credit of the department for the administration and enforcement of Chapter 318 of the Kentucky Revised Statutes on the effective date of this Act are hereby transferred to the trust and agency fund herein created.

Section 20. Section 318.140 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any city of the first, second, or third class may, by ordinance, enact a plumbing code, not less stringent in its provisions than the Kentucky State Plumbing Code, regulating the construction, installation, or alteration of plumbing within such city, providing for the issuance of plumbing installation permits and fixing permit and inspection fees. The department may authorize any such city to administer, carry out, and enforce the Kentucky State Plumbing Code and the rules and regulations of the board relating thereto and to issue permits and made inspections thereunder within such city, in which event a permit issued under the provisions of the city plumbing code ordinance shall be deemed a permit issued by the department; provided, however, that inspectors of the department shall have concurrent jurisdiction with city plumbing inspectors in the enforcement in such cities of the Kentucky State Plumbing Code.

(2) Any city enacting a plumbing code ordinance may appoint and fix the compensation of city plumbing inspectors. No person shall be eligible for appointment as a city plumbing inspector unless he has at least eight years experience as a master or journeyman plumber. At the time of his appointment he shall be licensed in accordance with the provisions of this Act.

(3) Nothing contained in this Act shall be construed as prohibiting a city from collecting occupational license fees from persons, firms or corporations engaged in the plumbing business.

Section 21. Section 318.150 of the Kentucky Revised Statutes is amended to read as follows:

No person shall use unsafe or defective material in the work of plumbing or drainage. Only the best known methods of installing materials, fixtures, appurtenances and appliances, including water supply piping, waste, ventilating and soil piping, and sewage piping shall be employed.

Section 22. A new section of the Kentucky Revised Statutes is created to read as follows:

Except as otherwise provided by law or by regulation of the board, no person, shall construct, install, or extensively alter any plumbing, sewerage, or water supply system of any public building or establishment without having first obtained the approval of the department in writing. Detailed plans and specifications of the proposed facility showing the plumbing system, sewage disposal system, and water supply system shall be submitted to the department prior to the construction or alteration of the facility. In the event no public sewer is available, the plan shall include the proposed type of sewage disposal system. In the event a sewage sub-soil drainage system is used, a complete soil study, including among other pertinent data, the results of percolation tests shall be submitted. Such percolation tests shall be conducted in accordance with the standards adopted by the department. All plans and specifications shall be submitted in triplicate to the department. The department shall notify the applicant in writing of the approval or disapproval of the plans. The construction, installation or alteration shall be done in accordance with the approved plans.

Section 23. A new section of the Kentucky Revised Statutes is created to read as follows:

For the purpose of enforcing the provisions of this Act and the State Plumbing Code, officers, agents and inspectors of the department shall have the power and authority to enter upon premises at all reasonable times for the purpose of making inspections, to interrogate all persons and to require the production of plumbing installation permits and other evidence. Officers, agents, and inspectors of the department are empowered to issue a stop order to any owner, agent, or occupant of real property whenever the plumbing thereon is found by the officer, agent or inspector of the department to be inviolation of this Act or the State Plumbing Code.

Section 24. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Notwithstanding the existence or pursuit of any other remedy (civil or criminal) the department, or its officers, agents, or inspectors, are hereby authorized to institute and maintain actions to restrain and enjoin any violation of this Act, the State Plumbing Code, or the rules and regulations of the board relating thereto.

(2) City, county and Commonwealth attorneys, and the Attorney General, shall within their respective jurisdiction represent the department, its officers, agents, and inspectors, in the enforcement of the provisions of this Act, the State Plumbing Code, and the rules and regulations of the board relating thereto, but when the department deems it necessary, it may employ, at its discretion, special attorneys to assist the department, or its officers, agents, or inspectors, and may pay reasonable compensation, fees and other costs from any unexpended plumbing funds.

Section 25. Section 318.990 of the Kentucky Revised Statutes is amended to read as follows:

Any person who violates any provisions of this Act or any regulation adopted hereunder or any provision of the State Plumbing Code shall be fined not less than ten dollars nor more than one hundred dollars or imprisoned for not more than ninety days or both for each offense. Each day the violation continues shall constitute a separate offense.

Section 26. Section 318.070 of the Kentucky Revised Statutes is hereby repealed.

SB 68, AN ACT relating to leaves of absence for teachers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 161.770 of the Kentucky Revised Statutes is amended to read as follows:

(1) Upon written request of a teacher or superintendent, a board of education may grant a leave of absence for a period of not more than two consecutive school years for educational or professional purposes, and shall grant such leave where illness, maternity or other disability is the reason for the request. Upon subsequent request, such leave may be renewed by the board. Without request, a board of education may grant a similar leave of absence and renewals thereof to any teacher or superintendent because of physical or mental disability, but such teacher or superintendent shall have the right to a hearing on such unrequested leave of absence or its renewal in accordance with the provisions for hearing an appeal in KRS 161.790. Upon the return to service of a teacher or superintendent at the expiration of a leave of absence, he shall resume the contract status which he held prior to such leave.

(2) In addition to the leave of absence provided for in subsection (1) of this section a superintendent may grant three additional days leave of absence in any school year without reduction in pay when a death occurs in the teacher's immediate family and two additional days leave of absence in any school year without reduction in pay when it becomes necessary for a teacher to be absent from his classroom in order to transact personal business.

SB 271, AN ACT relating to the Board of Trustees of the University of Kentucky, amending Sections 164.130 and 164.170 of the Kentucky Revised Statutes, and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 164.130 of the Kentucky Revised Statutes is amended to read as follows:

(1) The government of the University of Kentucky is vested in a Board of Trustees consisting of the Governor, who shall be Chairman of the Board, the Superintendent of Public Instruction, the Commissioner of Agriculture, Labor and Statistics, twelve competent citizens of Kentucky appointed by the Governor, and two non-voting members of the teaching faculty of the University of Kentucky. The terms of appointed members shall be for four years and until their successors are appointed and qualify. Three of the twelve appointed members shall be appointed each year. Three of the appointed members shall be representative of agricultural interests, three shall be alumni of the University and six shall be other distinguished citizens of the state

representative of the learned professions. The Governor shall so make the appointments as to divide the representation upon the board, including the ex officio members, as nearly equally as possible between the two leading political parties of this state. Appointments to fill vacancies shall be made for the unexpired term in the same manner as provided for original appointments.

(2) The non-voting faculty members shall be teaching or research members of the faculty of the University of Kentucky of the rank of assistant professor or above. They shall be elected by secret ballot by all faculty members of the University of the rank of assistant professor and above. Faculty members shall serve for terms of three years and until their successors are elected and qualify, except that of the first two members elected one shall serve for a term of two years and one for a term of three years. Faculty members shall be eligible for re-election, but they shall be ineligible to continue to serve as members of the Board of Trustees if they cease to be members of the teaching staff of the University. Elections to fill vacancies shall be for the unexpired term in the same manner as provided for original elections.

(3) No member of the Board of Trustees shall be directly or indirectly interested in any contract with the University for the sale of property, materials, supplies, equipment or services, with exception of compensation to the two faculty members.

Section 2. Section 164.170 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Board of Trustees of the University shall meet on Tuesday preceding the regular annual commencement of the University, on the third Tuesday in September, on the second Tuesday in December, and on the first Tuesday in April of each year. Special meetings may be called by the Chairman or by any three members upon giving ten days' written notice to each member of the Board of Trustees. The business to be transacted as special meetings shall be specified in the notice of the meeting. All meetings shall be held on the campus of the University unless otherwise specified by a majority vote of the Board of Trustees. A majority of the voting members of the Board of Trustees shall constitute a quorum. All necessary expenses incurred by the trustees in going to, returning from and while attending meetings of the Board of Trustees shall be paid out of the funds of the University.

(2) The meetings of the Board of Trustees shall be open to the public. The Board of Trustees shall cause a stenographic transcript of each of its meetings to be prepared and filed. An agenda for each of the meetings shall be sent to each member of the Board of Trustees and a copy thereof made available to the press.

Section 3. An emergency is hereby declared to exist and this Act shall become effective when passed and approved.

SB 272, AN ACT relating to bonds of state officers and employes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 62.170 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Commissioner of Finance shall secure, except for state officers required by KRS 62.160 to file bond, blanket bonds, with or without cosureties, written on a blanket position form, to cover all other officers, employes or deputies of the Commonwealth of Kentucky, including all other members of boards or commissions or employes of such boards or commissions, and including all superintendents, receivers or employes of penal or eleemosynary institutions managed or directed by the Department of Welfare or any other department or agency of the Commonwealth of Kentucky. Nothing in this paragraph shall be deemed to prohibit the securing of any such blanket position bond on a departmental, board, commission, agency or institutional basis.

(2) The Commissioner of Finance may secure one or more excess blanket bonds, with or without cosureties, to cover selected groups of persons covered by the bond or bonds required in the preceding paragraph to provide additional coverage which he may deem necessary by the exposures indicated in accordance with the duties and responsibilities indicated by the personnel classification schedules of the Division of Personnel Efficiency and in accordance with the amounts of money and property handled by the respective officers and employes.

(3) Such bond or bonds shall be written by and participated in only by insurance companies licensed by the Department of Insurance to do business in this state and shall be countersigned by a duly authorized licensed resident agent of the company. Such bonds may be written with or without cosureties. Further, such bonds are to be a percentage of the total risks, the Department of Insurance to approve the amount of the risk written by any one company.

(4) The penal amount of the bond secured pursuant to this section shall be fixed by the Commissioner of Finance in accordance with the duties and responsibilities indicated by the personnel classification schedules of the Division of Personnel Efficiency, and in accordance with the amounts of money and property handled by the respective officers and employes.

SB 218, AN ACT relating to fraternal benefit societies.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 300.560 of the Kentucky Revised Statutes is amended to read as follows:

(1) A society may provide for benefits on the lives of children under the minimum age for adult membership but not greater than twenty-one years of age at time of application therefor, upon the application of some adults person, as its laws or rules may provide, which benefits shall be in accordance with the provisions of KRS 300.550. A society may, at its option, organize and operate branches for such children. Membership and initiation in local lodges shall not be required of such children, nor shall they have a voice in the management of the society .

(2) A society shall have power to provide for the designation and changing of designation of beneficiaries in the certificates providing for such benefits and to provide in all other respects for the regulation, government and control of such certificates and all rights, obligations and liabilities incident thereto and connected therewith.

Section 2. Section 300.570 of the Kentucky Revised Statutes is amended to read as follows:

(1) A society may grant paid-up non-forfeiture benefits, cash surrender values, certificate loans and such other options as its laws may permit. As to certificates issued on and after the effective date of this act, a society shall grant at least one paid-up non-forfeiture benefit, except in the case of pure endowment, annuity or reversionary annuity contracts, reducing term insurance contracts or contracts of term insurance of uniform amount of fifteen years or less expiring before age sixty-six.

(2) In the case of certificates other than those for which reserves are computed on the Commissioners 1941 Standard Ordinary Mortality Table, the Commissioners 1941 Standard Industrial Mortality Table or the Commissioners 1958 Standard Ordinary Mortality Table, the value of every paid-up non-forfeiture benefit and the amount of any cash surrender value, loan or other option granted shall not be less than the excess, if any, of (a) over (b) as follows:

(a) the reserve under the certificate determined on the basis specified in the certificate; and

(b) The sum of any indebtedness to the society on the certificate, including interest due and accrued, and a surrender charge equal to two and one-half per cent of the face amount of the certificate, which, in the case of insurance on the lives of children, shall be the ultimate face amount of the certificate, if death benefits provided therein are graded.

(3) however, in the case of certificates issued on a substandard basis or in the case of certificates, the reserves for which are computed upon the American Men Ultimate Table of Mortality, the term of any extended insurance benefit granted including accompanying pure endowment, if any, may be computed upon the rates of mortality not greater than one hundred thirty per cent of those shown by the mor-

tality table specified in the certificate for the computation of the reserve.

(4) In the case of certificates for which reserves are computed on the Commissioners 1941 Standard Ordinary Mortality Table, the Commissioners 1941 Standard Industrial Mortality Table or the Commissioners 1958 Standard Ordinary Mortality Table, every paid-up nonforfeiture benefit and the amount of any cash surrender value, loan or other option granted shall not be less than the corresponding amount ascertained in accordance with the provisions of the laws of this state applicable to life insurance companies issuing policies containing like insurance benefits based upon such tables.

Section 3. Section 300.610 of the Kentucky Revised Statutes is amended to read as follows:

(1) After one year from June 19, 1958, no life benefit certificate shall be delivered or issued for delivery in this state unless a copy of the form shall have been filed with and approved by the Commissioner of Insurance.

(2) The certificate shall contain in substance the following standard provisions or, in lieu thereof, provisions which are more favorable to the member:

(a) Title on the face and filing page of the certificate clearly and correctly describing its form;

(b) A provision stating the amount of rates, premiums or other required contributions, by whatever name known, which are payable by the insured under the certificate;

(c) A provision that the member is entitled to a grace period of not less than a full month, or thirty days at the option of the society, in which the payment of any premium after the first, may be made. During such grace period the certificate shall continue in full force, but in case the certificate becomes a claim during the grace period before the overdue payment is made, the amount of such overdue payment or payments may be deducted in any settlement under the certificate;

(d) A provision that the member shall be entitled to have the certificate reinstated at any time within three years from the due date of the premium in default, unless the certificate has been completely terminated through the application of a non-forfeiture benefit, cash surrender value or certificate loan, upon the production of evidence of insurability satisfactory to the society and the payment of all overdue premiums and any other indebtedness to the society upon the certificate, together with interest on such premiums and such indebtedness, if any, at a rate not exceeding six percent per annum compounded annually;

(e) Except in the case of pure endowment, annuity or reversionary annuity contracts, reducing term insurance contracts, or contracts of term insurance of uniform amount of fifteen years or less expiring before age sixty-six, a provision that, in the event of default in payment of any premium after three full years' premiums have been paid or after premiums for a lesser period have been paid if the contract so provides, the society will grant, upon proper request not later than sixty days after the due date of the premium in default, a paid-up non-forfeiture benefit on the plan stipulated in the certificate, effective as of such due date, of such value as specified in this chapter. The certificate may provide, if the society's laws so specify or if the member shall so elect prior to the expiration of the grace period of any overdue premium, that default shall not occur so long as premiums can be paid under the provisions of an arrangement for automatic premium loan as may be set forth in the certificate;

(f) A provision that one paid-up non-forfeiture benefit as specified in the certificate shall become effective automatically unless the member elects another available paid-up non-forfeiture benefit, not later than sixty days after the due date of the premium in default;

(g) A statement of the mortality table and rate of interest used in determining all paid-up non-forfeiture benefits and cash surrender options available under the certificate, and a brief general statement of the method used in calculating such benefits;

(h) A table showing in figures the value of every paid-up non-forfeiture benefit and cash surrender option available under the certificate for each certificate anniversary either during the first twenty certificate years or during the term of the certificate, which ever is shorter;

(i) A provision that the certificate shall be incontestable after it has been in force during the lifetime of the member for a period of two years from its date of issue except for nonpayment of premiums, violation of the provisions of the certificate relating to military, aviation, or naval service and violation of the provisions relating to suspension or expulsion as substantially set forth in the certificate. At the option of the society, supplemental provisions relating to benefits in the event of temporary or permanent disability or hospitalization and provisions which grant additional insurance specifically against death by accident or accidental means, may also be excepted. The certificate shall be incontestable on the grounds of suicide after it has been in force during the lifetime of the member for a period of two years from date of issue. The certificate may provide, as to statements made to procure reinstatement, that the society shall have the right to contest a reinstated certificate within a period of two years from date of reinstatement with the same exceptions as herein provided;

(j) A provision that in case the age or sex of the member or any other person is considered in determining the premium and it is found at any time before final settlement under the certificate that the age or sex has been misstated, and the discrepancy and premium involved have not been adjusted, the amount payable shall be such as the premium would have purchased at the correct age and sex; but if the correct age was not an insurable age under the society's charter or laws, only the premiums paid to the society, less any payments previously made to the member, shall be returned or, at the option of the society, the amount payable under the certificate shall be such as the premium would have purchased at the correct age according to the society's promulgated rates and any extension thereof based on actuarial principles;

(k) A provision or provisions which recite fully, or which set forth the substance of, all sections of the charter, constitution, laws, rules or regulations of the society, in force at the time of issuance of the certificate, the violation of which will result in the termination of, or in the reduction of, the benefit or benefits payable under the certificate;

(l) If the constitution or laws of the society provide for expulsion or suspension of a member, any member so expelled or suspended, except for nonpayment of a premium or within the contestable period for material misrepresentations in such member's application for membership shall have the privilege of maintaining his insurance in force by continuing payment of the required premium; and

(m) In the case of a certificate issued by a foreign or alien society, a provision that the rights or obligations of the member or of any person rightfully claiming under the certificate shall be governed by the laws of this state. Any of the foregoing provisions or portions thereof not applicable by reason of the plan of insurance or because the certificate is an annuity certificate may, to the extent inapplicable, be ommitted from the certificate.

(3) After one year from June 19, 1958, no life benefit certificate shall be delivered or issued for delivery in this state containing in substance any of the following provisions:

(a) Any provision limiting the time within which any action at law or in equity may be commenced to less than two years after the cause of action shall accrue;

(b) Any provision by which the certificate shall purport to be issued or to take effect more than six months before the original application for the certificate was made, except in case of transfer from one form of certificate to another in connection with which the member is to receive credit for any reserve accumulation under the form of certificate from which the transfer is made; or

(c) Any provision for forfeiture of the certificate for failure to repay any loan thereon or to pay interest on such loan while the total indebtedness, including interest, is less than the loan value of the certificate.

(4) The word "premiums" as used in this chapter means premiums, rates, or other required contributions by whatever name known.

Section 4. Section 300.750 of the Kentucky Revised Statutes is amended to read as follows:

(1) Reports shall be filed and synopsis of annual statements shall be published in accordance with the provisions of this section.

(2) Every society transacting business in this state shall annually, on or before the first day of March, unless for cause shown such time has been extended by the Commissioner of Insurance, file with the Commissioner of Insurance a true statement of its financial condition, transactions and affairs for the preceding calendar year and pay a fee of five dollars for filing same. The statement shall be in general form and context as approved by the National Association of Insurance Commissioners for fraternal benefit societies and as supplemented by additional information required by the Commissioner of Insurance.

(3) A synopsis of its annual statement providing an explanation of the facts concerning the condition of the society thereby disclosed shall be printed and mailed to each benefit member of the society not later than June 1 of each year, or, in lieu thereof, such synopsis may be published in the society's official publication.

(4) As a part of the annual statement herein required, each society shall, on or before the first day of March, file with the Commissioner of Insurance a valuation of its certificates in force on December 31 last preceding provided, the Commissioner of Insurance may in his discretion for cause shown extend the time for filing such valuation for not more than two calendar months. Such report of valuation shall show, as reserve liabilities, the difference between the present mid-year value of the promised benefits provided in the certificates of such society in force and the present mid-year value of the future net premiums as the same are in practice actually collected, not including therein any value for the right to make extra assessments and not including any amount by which the present mid-year value of future net premiums exceeds the present mid-year value of promised benefits on individual certificates. At the option of any society, in lieu of the above, the valuation may show the net tabular value. Such net tabular value as to certificates issued prior to one year after June 19, 1958, shall be determined in accordance with the provisions of law applicable prior to June 19, 1958, and as to certificates issued on or after one year from June 19, 1958, shall not be less than the reserves determined according to the Commissioners' Reserve Valuation method as hereinafter defined. If the premium charged is less than the tabular net premium according to the basis of valuation used, an additional reserve equal to the present value of the deficiency in such premiums shall be set up and maintained as a liability. The reserve liabilities shall be properly adjusted in the event that the mid-year or tabular values are not apropriate.

(5) Reserves according to the Commissioner's Reserve Valuation method, for the life insurance and endowment benefits of certificates

providing for a uniform amount of insurance and requiring the payment of uniform premiums shall be the excess, if any, of the present value, at the date of valuation, of such future guaranteed benefits provided for by such certificates, over the then present value of any future modified net premiums therefor. The modified net premiums for any such certificate shall be such uniform percentage of the respective contract premiums for such benefits that the present value, at the date of issue of the certificate, of all such modified net premiums shall be equal to the sum of the then present value of such benefits provided for by the certificate and the excess of (a) over (b) as follows:

(a) A net level premium equal to the present value, at the date of issue, of such benefits provided for after the first certificate year, divided by the present value, at the date of issue, of an annuity of one percent per annum payable on the first and each subsequent anniversary of such certificate on which a premium falls due; provided however, that such net level annual premium shall not exceed the net level annual premium on the nineteen-year premium whole life plan for insurance of the same amount at an age one year higher than the age at issue of such certificate; and

(b) A net one-year term premium for such benefits provided for in the first certificate year.

Reserves according to the Commissioners' Reserve Valuation method for (1) life insurance benefits for varying amounts of benefits or requiring the payment of varying premiums, (2) annuity and pure endowment benefits, (3) disability and accidental death benefits in all certificates and contracts, and (4) all other benefits except life insurance and endowment benefits, shall be calculated by a method consistent with the principles of this subsection.

(6) The present value of deferred payments due under incurred claims or matured certificates shall be deemed a liability of the society and shall be computed upon mortality and interest standards prescribed in the following subsection.

(7) Such valuation and underlying data shall be certified by a competent actuary or, at the expense of the society, verified by the actuary of the Department of Insurance of the state of domicile of the society.

(8) The minimum standards of valuation for certificates issued prior to one year from June 19, 1958, shall be those provided by the law applicable immediately prior to June 19, 1958, but not lower than the standards used in the calculating of rates for such certificates.

(9) The minimum standard of valuation for certificates issued after one year from June 19, 1958, shall be three and one-half percent and the following tables:

(a) For certificates of life insurance—American Men Ultimate Table of mortality, with Bowerman's or Davis' Extension thereof or with the consent of the Commissioner of Insurance, the Commissioners

1941 Standard Ordinary Mortality Table, the Commissioners 1941 Standard Industrial Mortality Table or the Commissioners 1958 Standard Ordinary Mortality Table, using actual age of the insured for male risks and an age not more than three years younger than the actual age of the insured for female risks;

(b) For annuity certificates, including life annuities provided or available under optional modes of settlement in such certificates—the 1937 Standard Annuity Table

(c) For disability benefits issued in connection with life benefits certificates—Hunter's Disability Table, which, for active lives, shall be combined with a mortality table permitted for calculating the reserves on life insurance certificates, except that the table known as Class III Disability Table (1926) modified to conform to the contractual waiting period, shall be used in computing reserves for disability benefits under a contract which presumes the total disability shall be considered to be permanent after a specified period;

(d) For accidental death benefits issued in connection with life benefits certificates—the Inter-Company Double Indemnity Mortality Table combined with a mortality table permitted for calculating the reserves for life insurance certificates;
and

(e) For non-cancellable accident and health benefits—the Class III Disability Table (1926) with conference modifications or, with the consent of the Commissioner of Insurance, tables based upon the society's own experience.

(10) The Commissioner of Insurance may, in his discretion, accept other standards for valuation if he finds that the reserves produced thereby will not be less in the aggregate than reserves computed in accordance with the minimum valuation standard herein prescribed. The Commissioner of Insurance, may, in his discretion, vary the standards of mortality applicable to all certificates of insurance on substandard lives or other extra hazardous lives by any society authorized to do business in this state. Whenever the mortality experience under all certificates valued on the same mortality table is in excess of the expected mortality according to such table for a period of three consecutive years, the Commissioner of Insurance may require additional reserves when deemed necessary in his judgment on account of such certificates.

(11) Any society, with the consent of the Commissioner of Insurance of the state of domicile of the society and under such conditions, if any, which he may impose, may establish and maintain reserves on its certificates in excess of the reserves required thereunder, but the contractual rights of any insured member shall not be affected thereby.

(12) A society neglecting to file the annual statement in the form and within the time provided by this section shall forfeit one hundred

dollars for each day during which such neglect continues, and, upon notice by the Commissioner of Insurance to that effect, its authority to do business in this state shall cease while such default continues.

SB 282, AN ACT relating to contracts for the sale of cemetery merchandise.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Whenever any person, firm, corporation, or other business organization engaged in the business of owning, maintaining, or operating a cemetery (hereinafter referred to as "cemetery"), except a religious organization, shall accept money in connection with a contract for the sale of cemetery merchandise and other personal property such as may be used in connection with disposing or commemorating the memory of a deceased human being, delivery of which may be longer than 90 days after the receipt of final payment on such sale, the cemetery shall deposit in a trust fund, established for that purpose with a bank or trust company authorized by law to administer trust funds (hereinafter referred to as "trustee"), an amount not less than the procurement cost to the cemetery of the cemetery merchandise and personal property so sold. The procurement cost shall be determined and substantiated by a wholesale price list of a manufacturer or supplier of the cemetery merchandise and personal property so sold or by an itemization of the cost of manufacture of the cemetery merchandise and personal property manufactured and sold by the cemetery which cost determination, in either case, shall be verified by a Certified Public Accountant. The deposit in the trust fund shall be made not later than 45 days after the close of the month in which the final payment on the purchase price was received.

Section 2. To insure the adequacy of the trust funds for their intended purpose, the net income therefrom shall remain therein and be reinvested and compounded, except that annually, as of December 31, upon certification to the trustee by the cemetery, in the manner prescribed in Section 1, the trustee shall return to the cemetery any income of the trust fund, which when added to the original principal and accumulated income is in excess of the then requirements for the purchase of the cemetery merchandise and other personal property. Except as provided in Section 3 none of the original principal shall be returned to the cemetery even though such principal at the end of any annual period, on December 31, is in excess of the then requirements to fulfill any particular contract or portion thereof.

Section 3. Except as provided in Section 2, the funds held in trust shall remain intact until detailed certification has been made by the cemetery to the trustee of the delivery of item or items under a contract, at which time funds to cover the then cost of such items shall be delivered to the cemetery. If, after payment to the cemetery for items delivered pursuant to contract, the contract is completed but there remain funds with the trustee or there are still funds allocated to the particular item which has been delivered, in either event, such excess funds shall be delivered to the cemetery. All funds still in the trustee's hands 75 years after their receipt shall be then returned to the cemetery.

Section 4. Any monies returned to the cemetery by the trustee, either pursuant to Section 2 or Section 3, except as such may be used to reimburse the cemetery for items delivered under contract, must be used by the cemetery only for the preservation, care, maintenance and improvement of the cemetery property and its operations.

Section 5. Any trustee dealing with a cemetery may rely on the certification to it by the cemetery of the various matters of information required by this act and the trustee shall not be liable to anyone for its reliance, in good faith, upon such certifications.

Section 6. Every cemetery shall keep accurate books of account and records of all transactions concerning merchandise funds, and a copy of all agreements made in connection with merchandise funds. Such records shall be kept at least one year after the termination of the agreement which they evidence.

Section 7. The Department of Banking may at any time investigate a cemetery with respect to books of account and records concerning merchandise funds, and the books of account and records of any trustee of such funds. The Department of Banking may accept an examination of such funds if it is made by a Certified Public Accountant and a copy of the examination is furnished to it.

Section 8. If the Commissioner of Banking should determine that a cemetery is not complying with the provisions of this Act, it shall be his duty to inform the trustee of the cemetery's merchandise funds and the trustee, with respect to such cemetery's fund, shall follow the orders and direction of the Commissioner of Banking or his authorized deputy until released from further obligation by the Commissioner of Banking or his deputy.

Section 9. The provisions of this Act are separable and a judicial finding of unconstitutionality of any section of this Act, shall not affect the sections remaining.

Section 10. Whoever violates any provision of this Act shall be guilty of a misdemeanor and upon conviction shall be fined not less than $50 or more than $500, or confined in the county jail not exceeding 3 months, or both.

SB 284, AN ACT relating to nuclear energy.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 152.110 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 152.105 to 152.190, unless the context otherwise requires:

(1) "Atomic energy" means all forms of energy released in the course of nuclear fission or nuclear transformation.

(2) "By-product material" means any radioactive material, except special nuclear materials, yielded in or made radioactive by exposure to the radiation incident to the process of producing or utilizing nuclear materials.

(3) "Production facility" means (a) any equipment or device capable of the production of special nuclear material in such quantity as to be of significance to the common defense and security, or in such manner as to affect the health and safety of the public; or (b) any important component part especially designed for such equipment or device as determined by the United States Atomic Energy Commission.

(4) "Special nuclear material" means (a) plutonium and uranium enriched in the isotope 233 or in the isotope 235 and any other material after the United States Atomic Energy Commission has determined the material to be such; or (b) any material artifically enriched by any of the foregoing.

(5) "Utilization facility" means (a) any equipment or device, except an atomic weapon, capable of making use of special nuclear materials in such quantity as to be of significance to the common defense and security, or in such manner as to affect the health and safety of the public, or peculiarly adapted for making use of atomic energy in such quantity as to be of significance to the common defense and security, or in such manner as to affect the health and safety of the public; or (b) any important component part especially designed for such equipment or device as determined by the United States Atomic Energy Commission.

Section 2. Section 152.130 of the Kentucky Revised Statutes is amended to read as follows:

(1) All rules and regulations, except emergency regulations adopted pursuant to KRS Chapter 13 which are approved by the Governor, proposed in accordance with KRS 152.120, shall be submitted to the Governor and to the Advisory Committee on Nuclear Energy, not less than sixty (60) days prior to the filing of such rules and regulations with the Legislative Research Commission. Within such sixty-day period and after consultation with the Advisory Committee and the holding of any public hearings which may be deemed advisable, the Governor may determine that any such proposed rules and regulations, or parts thereof, are not in accord with the policy of this Chapter

and may issue an order to that effect. In such event any such proposed rules and regulations, or parts thereof, shall not become effective. The Governor may within sixty (60) days after the effective date of this Act and after a similar determination, declare null and void any or all rules and regulations issued in accordance with KRS 152.120 prior to such effective date.

(2) The Governor may delegate to any state official the power to perform the functions of the Governor as set out in subsection (1) and the actions of such official with respect to regulations of any state agency proposed under KRS 152.120 shall be valid as if done by the Governor.

Section 3. Section 152.140 of the Kentucky Revised Statutes is amended to read as follows:

(1) There shall be a committee, attached to the Department of Economic Development for administrative purposes, to be known as the Advisory Committee on Nuclear Energy to advise the Governor on atomic energy developments and regulations within the Commonwealth and to perform other functions set forth in this chapter. The Committee shall consist of not more than seventeen (17) members and shall include persons from private life and representative of state governmental activities concerned with nuclear energy as determined by the Governor. The Governor shall appoint the members of the committee, who shall be residents of the Commonwealth, and its chairman; all members shall serve at the pleasure of the Governor.

(2) The Director of the Division of Nuclear Information, Department of Economic Development, shall be ex-officio the executive secretary of the committee, and shall serve as coordinator and provide administrative services for accomplishing through the Department of Economic Development, the adopted directives of the committee.

(3) The members of the committee shall receive no salary for services performed on such committee, but may be reimbursed for necessary and actual travel expenses incurred in connection with attendance at official meetings of the committee or subcommittees thereof.

Section 4. A new section of the Kentucky Revised Statutes is created to read as follows:

The Governor of the Commonwealth shall have power and authority to enter into agreements with the United States Atomic Energy Commission or other apropriate Federal agency or authority regarding any matter the subject of KRS 152.105 to 152.190.

Section 5. Section 152.190 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who violates any of the provisions of KRS 152.105 to 152.190 or any regulation of a state agency promulgated in ac-

cordance with KRS 152.120 and 152.130 shall be fined not less than one hundred dollars nor more than five thousand dollars, or imprisoned in the county jail not less than ten days nor more than six months, or both fined and imprisoned. For the purposes of this subsection, each day of violation shall be deemed a separate offense.

(2) Whenever, in the opinion of the Attorney General, any person is violating or is about to violate any of the provisions of KRS 152.105 to 152.190, or is violating or is about to violate any of the rules and regulations promulgated under KRS 152.105 to 152.190, the Attorney General may apply to the appropriate court for an order enjoining the person from engaging or continuing to engage in the violative act, and upon a showing that such person has engaged, or is about to engage in such activity, a restraining order or permanent or temporary injunction, or any other appropriate order may be granted.

Section 6. Whereas the Federal Government by Public Law 86-373, enacted in 1959, provided for the transfer of various atomic energy regulatory functions to the states and, whereas, it is provided that the Governor of the Commonwealth and the representative of the Federal Government shall negotiate an agreement to effect such transfers and, whereas it is essential to effect uniformity in the transfer and administration of such functions, an emergency is declared to exist and this act shall become effective upon its passage and approval by the Governor.

SB 166, AN ACT relating to real estate dealers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 324.045 of the Kentucky Revised Statutes is amended to read as follows:

(1) Licenses shall be granted only to persons who are trustworthy and competent to transact the business of a real estate broker or salesman in such manner as to safeguard the interests of the public, and only after satisfactory proof of such qualifications has been presented to the commission.

(2) In addition to proof of honesty, truthfulness and good reputation of any applicant for a license, each applicant must pass a written examination conducted by said commissioner, or its authorized representative, which examination shall be of scope and wording sufficient in the judgment of the commission to establish the competency and trustworthiness of the applicant to act as a real estate broker or salesman in such manner as to protect the interests of the public. Provided, however, no examination shall be required for the renewal of any present or future license unless such license has been revoked, suspended or is allowed to expire without renewal. The commission shall hold examinations at such times and places as it may determine,

and an examination fee of twenty-five dollars shall be collected from each applicant to defray the expenses of holding such examinations.

(3) The provisions of subsection (2) requiring applicants to pass a written examination to obtain license shall not apply to real estate brokers or salesmen furnishing satisfactory proof to the commission that they were engaged in the business or occupation of a real estate broker or salesman on January 1, 1956, within the Commonwealth of Kentucky, provided, however, that such real estate brokers and salesmen shall, on or before July 1, 1956, make application to the Kentucky Real Estate Commission for a real estate broker or salesman's license in accordance with provisions of KRS 324.040 and provided further that each application shall be accompanied by a bond and license fee in accordance with the requirements of KRS 324.060 and 324.070.

(4) Every applicant for a broker's or salesman's license shall be at least twenty-one years of age, and shall have graduated from high school or, in the discretion of the commission, shall produce proof of an education equivalent to that of a high school graduate.

Section 2. Section 324.060 of the Kentucky Revised Statutes is amended to read as follows:

Every application for a broker's or salesman's license shall be accompanied by a bond in the sum of five thousand dollars. The bond shall be a cash bond or a surety bond and, if the latter, shall be executed by a surety company authorized to do business in this state and shall be made to the commission, and the bond shall be conditioned that the applicant shall conduct his business in accordance with the provisions of this chapter. The bond shall be in a form approved by the commission; and, in addition to the foregoing, each and every broker and salesman licensed as of July 1, 1960 and thereafter, shall furnish bond in accordance with the provisions hereof.

Section 3. Section 324.070 of the Kentucky Revised Statutes is amended to read as follows:

The original fee for each real estate broker's license shall be ten dollars and the annual renewal fee shall be ten dollars. The original fee for each real estate salesman's license shall be ten dollars and the annual renewal fee shall be five dollars. Provided that when a copartnership, association or corporation shall have paid an original fee of ten dollars or a renewal fee of ten dollars and shall have designated one of its members or officers as provided in KRS 324.110, the fees payable by any other member or officer actively engaged in the real estate business of such copartnership, association, or corporation shall be ten dollars for the first registration fee and five dollars for a renewal fee, for which a salesman's license shall be issued, but any such member or officer shall be entitled to a broker's license upon the payment of the usual fee therefor.

Section 4. Section 324.283 of the Kentucky Revised Statutes is amended to read as follows:

Each member of the commission shall receive as full compensation for each day actually spent on the work of said commission the sum of twenty-five dollars per day and his actual and necessary expenses incurred in the performance of duties pertaining to his office.

Section 5. Section 324.330 of the Kentucky Revised Statutes is amended to read as follows:

Notice in writing shall be given to the commission by each licensee of any change of principal business location whereupon the commission shall issue a new license for the unexpired period and shall charge two dollars for effecting the change on its records. This shall apply to both brokers and salesmen. The change of business location without notification to the commission shall automatically cancel the license theretofore issued.

Section 6. Section 324.990 of the Kentucky Revised Statutes is amended to read as follows:

Any person who violates any provision of this chapter shall be fined not less than one hundred dollars nor more than one thousand dollars, or imprisoned for a term not to exceed six months, or both. Upon conviction, in addition to the aforesaid fine, there shall be added to the fine the amount of any real estate brokerage commission paid or received as a result of the violation or violations in question. Each transaction shall be regarded as a separate offense and shall be punished as such.

Section 7. Section 324.116 of the Kentucky Revised Statutes is repealed.

SB 185, AN ACT relating to the selection of jurors for police courts in counties containing cities of the second class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 26.405 of the Kentucky Revised Statutes is amended to read as follows:

(1) In any county containing a city of the second class, the judge of the police court shall each year select a list of not less than 300 qualified citizens and residents from the tax records of the city for service as police court jurors.

(2) The judge shall place the name and address of each person so selected on a small slip of paper, each slip being as near the same size and appearance as practicable. Each slip shall then be deposited in a revolving drum. The drum shall be emptied once each year prior to the depositing of slips selected from the new list. The drum shall be kept locked and the key to said drum shall be kept by the clerk of the police court.

(3) Whenever a jury is needed for jury service in police court, the judge shall select 12 names from the drum for service on the jury and said persons shall be summoned by a police officer of the city.

(4) In the event that the jury panel is exhausted prior to the expiration of the time when the judge must draw a new list, then the judge may compel any police officer of the city to summon jurors whose names he may obtain from the tax rolls of the city.

SB 193, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 304.103 of the Kentucky Revised Statutes is amended to read as follows:

The provisions of KRS 304.097, 304.099 and 304.101 shall not apply to title insurers, to reinsurance contracts between insurers, to life or disability insurance, to bid bonds issued in connection with any public or private contract, or to insurance policies;

(1) Lawfully issued as a surplus line under KRS 304.580 to 304.598.

(2) Covering only the rolling stock, vessels, or aircraft of any common carrier in interstate or foreign commerce, or any vehicle principally garaged and used in another state.

(3) Covering only any property in course of transportation interstate or in foreign trade, or any liability or risk incident thereto.

(4) Covering only ocean marine risks and other risks exempted under this section.

(5) Of mutual or reciprocal insurers except policies written through independent agents compensated on a commission basis.

(6) Issued by domestic insurers which do not customarily permit their agents to countersign policies, if such policies are countersigned by an executive officer or other employee of the insurer whose compensation is entirely by salary.

SB 255, AN ACT relating to the Uniform Gifts to Minors Law.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 385.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in this Act, unless the context otherwise requires:

(1) "Adult" is a person who has attained the age of twenty-one years;

(2) "Bank" includes every corporation authorized by law to do a banking business;

(3) "Broker" is a person lawfully engaged in the business of effecting transactions in securities for the account of others. The term

includes a bank which effects such transactions. The term also includes a person lawfully engaged in buying and selling securities for his own account, through a broker or otherwise, as a part of a regular business;

(4) "Court" means the chancery division of the circuit court;

(5) "The custodial property" includes:

(a) all securities and money and life insurance under the supervision of the same custodian for the same minor as a consequence of a gift or gifts made to the minor in a manner prescribed in this chapter;

(b) the income from the custodial property; and

(c) the proceeds, immediate and remote, from the sale, exchange, conversion, investment, reinvestment or other disposition of such securities, money and income;

(6) "Custodian" is a person so designated in a manner prescribed in this chapter;

(7) "Guardian" of a minor includes the general guardian, guardian, tutor or curator of his property, estate or person;

(8) "Issuer" is a person who places or authorizes the placing of his name on a security, other than as a transfer agent, to evidence that it represents a share, participation or other interest in his property or in an enterprise or to evidence his duty or undertaking to perform an obligation evidenced by the security, or who becomes responsible for or in place of any such person;

(9) "Legal representative" of a person is his executor or the administrator, general guardian, guardian, committee, conservator, tutor or curator of his property or estate;

(10) "Life insurance" shall be deemed to include only insurance on the life of a minor or a member of the minor's family as herein defined;

(11) "Member" of a "minor's family" means any of the minor's parents, grandparents, brothers, sisters, uncles and aunts, whether of the whole blood or the half blood, or by or through legal adoption;

(12) "Minor" is a person who has not attained the age of twenty-one years;

(13) "Security" includes any note, stock, treasury stock, bond, debenture, evidence of indebtedness, certificate of interest or participation in an oil, gas or mining title or lease or in payments out of production under such a title or lease, collateral trust certificate, transferable share, voting trust certificate, or, in general, any interest or instrument commonly known as a security, or any certificate of interest or participation in, any temporary or interim certificate, receipt or certificate of deposit for, or any warrant or right to subscribe to or purchase, any of the foregoing. The term does not include a security of which the donor is the issuer. A security is in "registered form" when it specifies a person entitled to it or to the rights it evidences and its

transfer may be registered upon books maintained for that purpose by or on behalf of the issuer;

(14) "Transfer agent" is a person who acts as authenticating trustee, transfer agent, registrar or other agent for an issuer in the registration of transfers of its securities or in the issue of new securities or in the cancellation of surrendered securities; and

(15) "Trust company" includes every corporation authorized to do a trust business.

Section 2. Section 385.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) An adult person may, during his lifetime, make a gift of a security, money, or life insurance to a person who is a minor on the date of the gift:

(a) If the subject of the gift is a security in registered form, by registering it in the name of the donor, another adult person, an adult member of the minor's family, a guardian of the minor, or a trust company, followed, in substance, by the words: "as custodian for -------- (name of minor) -------- under the Uniform Gifts to Minors Act";

(b) If the subject of the gift is a security not in registered form by delivering it to an adult person other than the donor, an adult member, other than the donor, of the minor's family, a guardian of the minor, or a trust company, accompanied by a statement of gift in the following form, in substance, signed by the donor and the person designated as custodian:

"GIFT UNDER THE UNIFORM
GIFTS TO MINORS ACT

I, ------(name of donor)--------, hereby deliver to ---------- (name of custodian) ---------, as custodian for -------- (name of minor) -------- under the Uniform Gifts to Minors Act, the following security (ies): (insert an appropriate description of the security or securities delivered sufficient to identify it or them)

------------ (signature of donor) ------------ (name of custodian) -------- hereby acknowledges receipt of the above described security (ies) as custodian for the above minor under the Uniform Gifts to Minors Act. Dated: ----------------

-------- (signature of custodian) --------;

(c) If the subject of the gift is money, by paying or delivering it to a broker or a bank for credit to an account in the name of the donor, another adult person, an adult member of the minor's family, a guardian of the minor, or a bank with trust powers, followed, in substance, by the words: "as custodian for ------ (name of minor) ------ under the Uniform Gifts to Minors Act";

(d) If the subject of the gift is life insurance, the ownership of the policy of life insurance shall be registered by the donor of such policy in his own name or in the name of an adult member of the minor's family or in the name of any guardian of the minor, followed by the words "as custodian for -------- (name of minor) --------, a minor under section 385.020 of the Kentucky Revised Statutes" and such policy of life insurance shall be delivered to the person in whose name it is thus registered as custodian. If the policy is registered in the name of donor, as custodian, such registration shall of itself constitute the delivery required by this section.

(2) Any gift made in a manner prescribed in subsection (1) may be made to only one minor and only one person may be the custodian;

(3) A donor who makes a gift to a minor in a manner prescribed in subsection (1) shall promptly do all things within his power to put the subject of the gift in the possession and control of the custodian, but neither the donor's failure to comply with this subsection, nor his designation of an ineligible person as custodian, nor renunciation by the person designated as custodian affects the consummation of the gift.

Section 3. Section 385.030 of the Kentucky Revised Statutes is amended to read as follows:

(1) A gift made in a manner prescribed in this chapter is irrevocable and conveys to the minor indefeasibly vested legal title to the security, money, or life insurance given, but no guardian of the minor has any right, power, duty or authority with respect to the custodial property except as provided in this chapter.

(2) By making a gift in a manner prescribed in this chapter the donor incorporates in his gift all the provisions of this chapter and grants to the custodian, and to any issuer, transfer agent, bank, broker or third person dealing with a person designated as custodian, the respective powers, rights and immunities provided in this chapter.

Section 4. Section 385.040 of the Kentucky Revised Statutes is amended to read as follows:

(1) The custodian shall collect, hold, manage, invest and reinvest the custodial property.

(2) The custodian shall pay over to the minor for expenditure by him, or expend for the minor's benefit, so much of or all the custodian property as the custodian deems advisable for the support, maintenance, education and benefit of the minor in the manner, at the time or times, and to the extent that the custodian in his discretion deems suitable and proper, with or without court order, with or without regard to the duty of himself or of any other person to support the minor or his ability to do so, and with or without regard to any other income of property of the minor which may be applicable or available for any such purpose.

(3) The court, on the petition of a parent or guardian of the minor or of the minor, if he has attained the age of fourteen years,

may order the custodian to pay over to the minor for expenditure by him or to expend so much of or all the custodial property as is necessary for the minor's support, maintenance or education.

(4) To the extent that the custodial property is not so expended, the custodian shall deliver or pay it over to the minor on his attaining the age of twenty-one or, if the minor dies before attaining the age of twenty-one years, he shall thereupon deliver or pay it over to the estate of the minor.

(5) The custodian, notwithstanding statutes restricting investments by fiduciaries, shall invest and reinvest the custodial property as would a prudent man of discretion and intelligence who is seeking a reasonable income and the preservation of his capital, except that he may, in his discretion and without liability to the minor or his estate, retain a security given to the minor in a manner prescribed in this chapter.

(6) The custodian may sell, exchange, convert or otherwise dispose of custodial property in the manner, at the time or times, for the price or prices and upon the terms he deems advisable. He may vote in person or by general or limited proxy a security which is custodial property. He may consent, directly or through a committee or other agent, to the reorganization, consolidation, merger, dissolution or liquidation of an issuer, a security of which is custodial property, and to the sale, lease, pledge or mortgage of any property by or to such an issuer, and to any other action by such an issuer. He may execute and deliver any and all instruments in writing which he deems advisable to carry out any of his powers as custodian.

(7) The custodian shall register each security which is custodial property and in registered form in the name of the custodian, followed, in substance, by the words: "as custodian for ______ (name of minor) ________ under the Uniform Gifts to Minors Act." The custodian shall hold all money which is custodial property in an account with a broker or in a bank in the name of the custodian, followed, in substance, by the words: "as custodian for ________ (name of minor) ________ under the Uniform Gifts to Minors Act." The custodian shall keep all other custodial property separate and distinct from his own property in a manner to identify it clearly as custodial property.

(8) The custodian shall keep records of all transactions with respect to the custodial property and make them available for inspection at reasonable intervals by a parent or legal representative of the minor or by the minor, if he has attained the age of fourteen years.

(9) A custodian has and holds as powers in trust with respect to the custodial property, in addition to the rights and powers provided in this chapter, all the rights and powers which a guardian has with respect to property not held as custodial property.

(10) If the subject of the gift is life insurance, the custodian shall have all of the incidents of ownership in the life insurance policies

which he may hold as custodian to the same extent as if he were the owner thereof personally. The designated beneficiary of any such policy of insurance held by a custodian shall be the minor or, in the event of his death, the minor's estate.

Committee on Rules reported **SB 273** with the expression of opinion that the same should pass with committee amendment. Read at length for the first time and ordered placed in the Calendar.

SB 273, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 56.100 of the Kentucky Revised Statutes is amended to read as follows:

Each fiscal year the State Treasurer shall deduct from any funds in his hands payable to an agency for the care and maintenance of public buildings or property, an amount equal to the premiums certified to him as chargeable against that agency. The amount so debited shall be credited to an account kept by the State Treasurer and known as the State Fire and Tornado Insurance Fund. No premium shall be charged on any one subject or risk upon a valuation of more than three hundred thousand dollars unless the Department of Insurance has contracted for reinsurance that limits the liability of the fund to three hundred thousand dollars upon such subject of risk.

Section 2. Section 56.120 of the Kentucky Revised Statutes is amended to read as follows:

When the amount of damage has been determined, the State Treasurer shall debit the account of the State Fire and Tornado Insurance Fund by that amount and credit with an equal amount the account of the agency that has control or custody of the property damaged, and upon warrant from the Department of Finance the Treasurer shall pay to the agency the amount so credited to it, for the purpose of repairing the damage or reconstructing or replacing the damaged or destroyed property. If the agency deems it impracticable or undesirable to use the money for repair, reconstruction or replacement of the property damaged or destroyed, it may, with the approval of the Department of Finance, and subject to the provisions of KRS 56.490, expend said funds for the acquisition, repair, construction or reconstruction of property similar to the property damaged or destroyed. No debit, credit, or payment made on account of the damage to any one subject of risk, by any one loss, shall be in excess of three hundred thousand dollars, unless the Department of Insurance has effected reinsurance upon the subject of risk such as to the limit of liability of the State Fire and Tornado Insurance Fund to three hundred thousand dollars, and unless the excess over this amount has actually been paid into the fund by the reinsuring company or companies.

Section 3. Section 56.160 of the Kentucky Revised Statutes is amended to read as follows:

With the approval of the Department of Finance, the Department of Insurance may contract with any responsible fire and tornado insurance or reinsurance company authorized to do business in Kentucky to reinsure any subject of risk of which the total valuation has been fixed at over three hundred thousand dollars in such a way as to limit the net liability of the State Fire and Tornado Insurance Fund with respect to such subject of risk to three hundred thousand dollars. The premium for reinsurance shall be paid out of the State Fire and Tornado Insurance Fund, on warrant of the Department of Finance.

Committee on Rules reported **SB 283** with the expression of opinion that the same should pass with committee amendment. Read at length for the first time and ordered placed in the Calendar.

SB 283, AN ACT relating to the Department of Mines and Minerals.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Wherever used in Chapter 351 of the Kentucky Revised Statutes, the term "Chief" or "Chief of the Department of Mines and Minerals" shall be deemed to refer to the Commissioner of Mines and Minerals.

Committee on Rules reported **SR 56** with the expression of opinion that the same should pass with committee amendment. Read at length for the first time and ordered placed in the Calendar.

SR 56, THE CONCURRENT RESOLUTION relating to the duties of the Division of State Police and the Department of Highways.

Be it resolved by the Senate of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. In many areas of the state, automobile junk yard owners are contributing to the loss of life, limb and property by leaving junked vehicles on state right-of-ways.

Section 2. That the Department of Public Safety, through the Division of State Police, is earnestly requested to fulfill its duty to the people of the Commonwealth by a close inspection of all junk yards in the state and a prompt removal of the vehicles standing on state right-of-ways. The Department of Public Safety is further requested promptly to notify the Department of Highways and secure the latter's cooperation in removing these junked vehicles.

Calendar

SB 256, SB 280, SB 208, SB 88, SB 89, SB 113, SB 274, SB 57, SB 240, SB 140, SB 104, SB 3, SB 171 and **SB 269** were taken from the

Calendar and ordered read at length for the second time. Representative Ray moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in the Calendar.

Report on Enrolled Bills

Committee on Enrollment reported that **SB 230, SB 93, SB 136, SB 137, SB 200,** SB 132, SB 148 and SB 135 had been examined and found correctly enrolled. SB 230, SB 93, SB 136, SB 137, SB 200, SB 132, SB 148 and SB 135 read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Governor.

Orders of the Day

Representative Ray moved that the House concur in the following Senate amendment to **HB 383:**

"Amend printed copy of **HB 383** on page 3, section 3, line 3, by striking out the period at the end of the line and adding: "and $10,000 for the remainder of the fiscal year 1959-1960." and Amendment #2 as follows:

"Amend printed copy of **HB 383** on page three by adding a new section to be read as follows:

"Section 4. WHEREAS, a major portion of the appropriations from the General Fund are made to support public education, and findings of the 1960 General Assembly make it imperative that the Commission provided for in this ACT commence its activities at the earliest possible date, an emergency is declared to exist and this Act shall take effect upon its passage and approval by the Governor." Agreed.

On the roll call, the vote was yeas 76—Alexander, Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Castle, Caudill, Childress, Chumbler, Clark, Colley, Cook, Paul Cornett, Cottengim, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Faulkner, Fern, Fields, Ford, Garner, Griffin, Haley, Hall, Hampton Hardin, Harris, Hays, Henry, Hill, Hinkle, Houchens, Hopkins, Isler, Lankford, Lyon, Ben Martin, C. H. Martin, Miles, Moorman, L. F. Morgan, Murphy, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Reynolds, Robinson, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Stidham, Summe, Treas, Tucker, G. T. White, J. E. White, Wood, Young. Nays 0. **HB 383** was passed and title agreed to.

Representative Cottengim moved to defer action on **HB 250.** Agreed.

HB 535 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 86—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, Earl Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Paul Cornett, Crecelius, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Faulkner, Fern, Fields, Ford, Griffin, Hahn, Haley, Hall, Hampton, Hardwick, Harris, Hays, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moorman, Fred Morgan, L. F. Morgan, Murphy, Nichols, Nolan, Osborn, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Reynolds, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Treas, Tucker, G. T. White, J. E. White, Wood, Young. Nays 1—Burress. **HB 535** was passed and title agreed to.

HB 161 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 87—Barton, Bates, Baumgardner, Brizendine, Buckman, Burress, C. C. Carter, Earl Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Paul Cornett, Cowherd, Crecelius, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Faulkner, Fern, Fields, Ford, Garner, Griffin, Hahn, Haley, Hall, Hampton, Hardwick, Harris, Hays, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, Miles, Miller, Moorman, Fred Morgan, L. F. Morgan, Murphy, Neel, Nichols, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Rayburn, Render, Reynolds, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 0. **HB 161** was passed and title agreed to.

HB 541 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 87—Alexander, Barton, Bates, Baumgardner, Buckman, Burress, C. C. Carter, Earl Carter, Castle, Caudill, Childress, Clark, Cole, Colley, Cook, Paul Cornett, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Dowell, Ellis, Farmer, Faulkner, Fern, Fields, Ford, Garner, Griffin, Hahn, Haley, Hall, Hampton, Hardwick, Harris, Hays, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Ben Martin, Miles, Miller, Moorman, L. F. Morgan, Murphy, Neel, Nichols, Osborn, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Reynolds, Roberts, Robinson, Slusher, A. C. Smith, J. D.

Smith, Virgil Smith, Spurrier, Stacy, Steiger, Stidham, Summe, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 0. **HB 541** was passed and title agreed to.

HB 509 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 69—Alexander, Barton, Bates, Baumgardner, Buckman, Earl Carter, Castle, Caudill, Childress, Clark, Cole, Cowherd, Crecelius, Dean, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Faulkner, Fern, Fields, Garner, Griffin, Hahn, Haley, Hall, Hardwick, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, L. F. Morgan, Nichols, Ostertag, Osting, Parrish, Peniston, Quinn, Rausch, Ray, Render, Reynolds, Roberts, Robinson, Slusher, A. C. Smith, Virgil Smith, Stacy, Steiger, Stidham, Treas, Tucker, G. T. White, Wood, Young. Nays 2—Burress and Cook. **HB 509** was passed and the title agreed to.

Report on Enrolled Bills

Committee on Enrollment reported that **HB 124, HB 181, HB 330, HB 373** and **HB 413** had been examined and found correctly enrolled. **HB 124, HB 181, HB 330, HB 373** and **HB 413** read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 124, HB 181, HB 330, HB 373 and **HB 413** delivered, signed by President. Ordered delivered to the Governor.

Representative Rausch moved that the vote by which **HB 433** was defeated be reconsidered. Agreed.

HB 452 taken from Orders of the Day. Representative Ray moved that consideration of said bill be deferred and that it retain its place in Orders of the Day. Agreed.

HB 538 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 78—Alexander, Barton, Bates, Baumgardner, Buckman, C. C. Carter, Castle, Childress, Chumbler, Clark, Cole, Colley, Cook, Paul Cornett, Cowherd, Crecelius, Dean, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Fern, Fields, Ford, Griffin, Hahn, Haley, Hall, Hampton, Harris, Hays, Henry, Hill, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, L. F. Morgan, Neel, Nolan, Ostertag, Osting, Parrish, Peniston, Quinn, Rausch, Ray, Rayburn, Render, Reynolds, Roberts, Robinson, Slusher,

A. C. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Treas, Tucker, G. T. White, J. E. White, Wood, Young. Nays 2—Earl Carter, Hardwick. HB 538 was passed and title agreed to.

HB 461 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 65—Alexander, Barton, Bates, Brizendine, Buckman, C. C. Carter, Earl Carter, Castle, Childress, Clark, Cole, Cook, Cottengim, Crecelius, Dean, Dexter, Dobyns, Dowell, Edmunds, Ellis, Fern, Fields, Ford, Hahn, Haley, Hall, Harris, Hays, Hill, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, L. F. Morgan, Neel, Nolan, Ostertag, Parrish, Peniston, Rayburn, Render, Reynolds, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Summe, Treas, Tucker, Wood. Nays 1—Griffin. HB 461 was passed and title agreed to.

HB 543 taken from Orders of the Day. Representative Ray moved that consideration of said bill be deferred and that it retain its place in Orders of the Day. Agreed.

HB 482 taken from Orders of the Day. Representative Moloney moved that consideration of said bill be deferred and that it retain its place in Orders of the Day. Agreed.

Representative Ray moved to recess for Rules Committee Meeting. Agreed. At the appointed hour, the Speaker resumed the Chair.

Representative Ray moved that the Rules be suspended for the purpose of making committee reports. Agreed.

Report of Committees

Committee on Rules reported SB 157 with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 157, AN ACT relating to the taxation of liquid fuels used in motor boats.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section is created in Chapter 138 of the Kentucky Revised Statutes to read as follows:

(1) Any person who buys and uses any liquid fuel for the purpose of operating or propelling motor boats shall be reimbursed and repaid ninety percent of the tax paid by him pursuant to the provisions of KRS 138.210 to 138.340 upon presenting to the Department of Revenue an application made under oath, accompanied by the original invoices showing the payment of such purchases, including the liquid fuel tax thereon. The application shall set forth the total amount of the liquid fuel purchased and used by the applicant in the operation or propulsion of motor boats.

(2) (a) When liquid fuel on which the tax has been paid pursuant to the provisions of KRS 138.210 to 138.340 has been used for the purpose of operating any motor boat and was delivered directly to the fuel tanks installed in or attached to the motor boat, the purchaser of the liquid fuel so used shall be reimbursed to the extent of ninety percent of the tax paid. No tax shall be refunded except that paid upon such fuel used exclusively in motor boat motors.

(b) No person shall be entitled to a refund hereunder unless he shall have first filed with the Department of Revenue a bond with approved surety in the amount of not less than one hundred dollars nor more than one thousand dollars to be determined by the Department of Revenue and upon the payment to the Commonwealth of any refunds to which he was not entitled.

(3) All refunds claims authorized by this section shall be filed with the Department of Revenue within four months after the date on which the liquid fuel shall have been purchased as shown by the invoice. Where the application for refund is mailed to the Department of Revenue, the date of mailing as shown by the postmark shall be taken as the time and date of filing with the department.

Section 2. A new section is created in Chapter 138 of the Kentucky Revised Statutes to read as follows:

(1) Any person who shall change or alter the date, name, gallonage or other information shown on any invoice used to support any claim for refund authorized in this Act shall forfeit the right to such refund.

(2) Any person, firm or corporation who shall make any false statement in connection with an application for the refund of any money, as provided in this Act, or who shall collect or cause to be repaid to him or to any person any such taxes without being entitled to the same under the provisions of this Act shall be fined not less than twenty-five dollars nor more than one thousand dollars.

Section 3. Refunds shall be made only on gasoline purchased from locations designated by the Department of Revenue.

Orders of the Day

Representative Ray moved that the House concur in the following Senate amendment to **HB 250:**

"Amend printed copy of House Bill 250 an page 3 Section 1, line 19 by deleting the word "includes" and substituting in lieu thereof the word "mean", and, on page 3, section 1, by adding the following new subsection after subsection (4) ending on line 26:

(5) "Highway or highways" as used in this Act means limited access highway, interstate highway, or turnpike as defined in this Act, and on page 5, section 4, by adding the following new subsection after subsection (3) ending on line 19:

(4) Advertising devices which otherwise comply with the applicable zoning ordinances and regulations of any county or city, and which are to be located in a commercially or industrially developed area, in which the Commissioner of Highways determines, in exercise of his sound discretion, that the location of such advertising devices is compatible with the safety and convenience of the traveling public."

On the roll call, the vote was yeas 38—Bates, Baumgardner, Brizendine, Buckman, Caudill, Childress, Cole, Crecelius, Denham, Dobyns, Ellis, Farmer, Fields, Haley, Hardin, Hill, Hopkins, Irick, Lyon, Moloney, Neel, Nichols, Peniston, Qualls, Quinn, Rausch, Ray, A. C. Smith, J. D. Smith, Virgil Smith, Spurrier, Steiger, Stidham, Tanner, Treas, Tucker, G. T. White, Wood. Nays 45—Alexander, Burress, Charles C. Carter, Castle, Chumbler, Clark, Cook, Cornett, Cottengim, Cowherd, Dean, Edmunds, Faulkner, Fern, Garner, Griffin, Hahn, Hall, Hardwick, Hays, Henry, Hinkle, Hislope, Isler, Lankford, Lovins, Ben Martin, C. H. Martin, Moorman, Fred Morgan, Luther F. Morgan, Nolan, Osborn, Ostertag, Osting, Parrish, Rayburn, Render, Roberts, Robinson, Stacy, Summe, Wathen, John E. White, and Young. The House refused to concur in the amendment to **HB 250.**

Representative Ray moved that **HB 250** be returned to the Senate, with the request that they recede. Agreed.

HB 452, HB 543 and **HB 482** taken from Orders of the Day. Representative Ray moved that consideration of said bills be deferred and that they retain their place in Orders of the Day. Agreed.

HB 512 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 40—Baumgardner, Buckman, Earl Carter, Castle, Childress, Colley, Cottengim, Crecelius, Dexter, Dobyns, Farmer, Fern, Fields, Griffin, Hahn, Hall, Hampton, Hays, Henry, Lyon, Ben Martin, Miles, Miller, Murphy, Neel, Nolan, Ostertag, Osting, Qualls, Quinn, Rausch, Ray, Robinson, Stacy, Steiger, Stidham, Summe, Tucker, J. E. White, Young. Nays 32—Alexander, Bates, Brizendine, Cook, Cowherd, Dean, Edmunds, Ellis, Faulkner, Ford, Haley, Hardwick, Harris, Hill, Hinkle, Houtchens, Lankford, Moloney, Moorman, Fred Morgan, Luther F. Morgan, Nichols, Osborn, Parrish, Peniston, Rayburn, Roberts, Albert C. Smith, Virgil Smith, Spurrier, Glen T. White and Wood. **HB 512** was passed and the title agreed to.

HB 508 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 60—Alexander, Barton, Baumgardner, Brizendine, Burress, C. C. Carter, Caudill, Childress, Clark, Cook, Paul Cornett, Cowherd, Crecelius, Dean, Denham, Dexter, Dobyns, Farmer, Faulkner, Fern, Fields, Hahn, Haley, Hall, Harris, Hays, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Isler, Lyon, Ben Martin, C. H. Martin, Miller, Moloney, Moorman, L. F. Morgan, Murphy, Nichols, Nolan, Osting, Parrish, Qualls, Quinn, Rausch, Rayburn, Roberts, Robinson, A. C. Smith, Steiger, Stidham, Summe, Treas, Tucker, G. T. White, Wood, Young. Nays 9—Castle, Edmunds, Ellis, Griffin, Irick, Lankford, Ostertag, Peniston and Spurrier.

HB 508 was passed and title agreed to.

HB 500 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Qualls moved to amend **HB 500** as follows: "Amend printed copy of **HB 500** on page 2, lines 17 and 18—(3) by deleting the entire (3) on page 2." Agreed.

On the roll call, the vote was yeas 43—Bates, Baumgardner, Buckman, Castle, Childress, Cole, Colley, Paul Cornett, Cottengim, Dean, Dexter, Dobyns, Ellis, Fern, Hahn, Hardin, Harris, Hill, Hopkins, Irick, Isler, Lankford, Lyon, Ben Martin, Miles, Miller, Nichols, Nolan, Ostertag, Osting, Qualls, Quinn, Rausch, Ray, Rayburn, Reynolds, Robinson, A. C. Smith, J. D. Smith, Spurrier, Stacy, Steiger, Stidham. Nays 33—Alexander, Barton, Burress, Charles C. Carter, Chumbler, Clark, Cook, Cowherd, Crecelius, Denham, Edmunds, Faulkner, Ford, Griffin, Haley, Hall, Hampton, Hardwick, Hays, Henry, Hinkle, Hislope, Moorman, Fred Morgan, Luther F. Morgan, Parrish, Peniston, Tucker, Wathen, Glen T. White, John E. White, Wood, Young.

HB 500 was passed and the title agreed to.

HB 480 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 66—Alexander, Bates, Brizendine, Buckman, C. C. Carter, Earl Carter, Castle, Caudill, Childress, Clark, Cole, Colley, Cook, Paul Cornett, Cowherd, Dean, Denham, Dexter, Dobyns, Ellis, Faulkner, Fern, Fields, Ford, Griffin, Hahn, Haley, Hall, Hampton, Hardin, Hardwick, Harris, Henry, Hill, Hinkle, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, C. H. Martin, Moloney, Moorman, Fred Morgan, L. F. Morgan, Murphy, Nichols, Nolan, Osting, Parrish, Quinn, Rausch, Roberts, Robinson, A. C. Smith, J. D. Smith, Spurrier, Stacy, Summe, Treas, G. T. White, J. E. White, Wood, Young. Nays 6—Baumgardner, Crecelius, Miles, Ostertag, Peniston and Steiger.

HB 480 was passed and title agreed to.

HB 433 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 53—Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Childress, Clark, Cole, Cook, Cottengim, Crecelius, Dean, Dexter, Dobyns, Edmunds, Ellis, Farmer, Fern, Fields, Hahn, Haley, Hall, Hardin, Harris, Henry, Hill, Hinkle, Hopkins, Irick, Isler, Lovins, Lyon, Miles, Miller, Moloney, Moorman, Fred Morgan, L. F. Morgan, Nichols, Nolan, Osting, Parrish, Peniston, Quinn, Rausch, Ray, Roberts, Robinson, A. C. Smith, Stacy, Steiger, Wood, Young. Nays 6—Alexander, Caudill, Colley, Hays, Hislope, Summe.

HB 433 was passed and title agreed to.

Representative Moloney moved to set time for adjournment and convening. Representative Ray moved that when the House adjourn that it adjourn until 1:00 P.M., March 17. Agreed.

Senate Message

Announcing passage of **HB 267, HB 270, HB 277, HB 342, SB 226, HB 438** and **HB 439, HB 159** and **HB 245** with Senate Amendments.

Orders of the Day

SB 266 taken from Orders of the Day. Representative Ray moved that consideration of said bill be deferred and that it retain its place in Orders of the Day. Agreed.

SB 198 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 59—Alexander, Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Castle, Caudill, Childress, Clark, Cook, Cottengim, Cowherd, Crecelius, Dean, Dexter, Dobyns, Ellis, Farmer, Fern, Fields, Hahn, Haley, Hardin, Harris, Henry, Hill, Hinkle, Houtchens, Hopkins, Irick, Isler, Lyon, C. H. Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, Murphy, Neel, Nolan, Ostertag, Osting, Parrish, Peniston, Quinn, Rausch, Rayburn, Reynolds, J. D. Smith, Steiger, Summe, Treas, Tucker, G. T. White, J. E. White, Wood, Young. Nays 0.

SB 198 was passed and the title agreed to.

Representative Ray moved that the House concur in the following Senate amendment to **HB 159:**

"Amend printed copy of House Bill 159 by deleting all after the enacting clause and inserting in lieu thereof:

"Section 1. Section 7.090 of the Kentucky Revised Statutes is amended to read as follows:

(1) There is hereby created a Legislative Research Commission composed of the Lieutenant Governor, the President Pro Tem of the Senate, the Speaker of the House of Representatives, the majority and minority Floor Leaders of the Senate and House of Representatives, and the majority and minority Caucus Chairmen of the Senate and House of Representatives. Any vacancy in the commission shall be filled by the remaining members thereof, provided, if the vacancy is in the membership of the House of representatives then the successor shall be from the House, and if the vacancy is from the Senate membership of the commission then the successor shall be from the Senate. A member thus elected to fill any vacancy shall hold office for the unexpired term of his predecessor. The Lieutenant Governor shall be ex officio chairman of the commission.

(2) The Legislative Research Commission shall meet during regular and special sessions of the General Assembly, and during the intervals between sessions at such times and places as the chairman may determine. Meetings of the Commission shall be called by the chairman on his own initiative, or at the written request of any three members of the Commission. For attending meetings between sessions, whether regular or special, of the General Assembly, the members of the Commission, or any sub-committee thereof, shall be paid their necessary traveling expenses and in addition thereto twenty-five dollars per day.

(3) The Commission shall appoint a director, who shall have had graduate training in government in a recognized university or college or practical experience in governmental administration, and who shall hold office at the pleasure of the Commission. The salary of the director shall be determined by the Commission. The Commission shall have exclusive jurisdiction over the employment of such personnel as may be necessary to effectuate the provisions of KRS 7.090 to 7.110.

(4) Any professional, clerical or other employees required by any committee appointed by the General Assembly shall be provided to the committee by the Legislative Research Commission. The chairman of the committee shall advise the director of the Legislative Research Commission of his need for such personnel. In the event that the personnel required by any committee cannot be met by the staff of the Legislative Research Commission, the director shall employ such personnel as necessary to meet the needs of the committee, and shall fix the rate of compensation of such employes.

(5) The director shall, at the discretion of the Commission and under its supervision and control, provide for the allocation of the work and activities of all employes of the Commission.

(6) The Commission may, in effectuating the provisions of KRS 7.090 to 7.110, contract with any public or private agency or educational institution or any individual for research studies, the gathering of information or the printing and publication of its reports.

Section 2. Whereas, it is necessary that the additional members from the respective Houses assume membership on the Commission as soon as possible to assist in the effective organization of the Commission for the coming biennium, an emergency is declared to exist and that this Act is to take effect immediately upon its passage and approval by the Governor." Agreed.

On the roll call, the vote was yeas 79—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Earl Carter, Castle, Caudill, Childress, Chumbler, Clark, Colley, Cook, Paul Cornett, Cottengim, Cowherd, Crecelius, Denham, Dexter, Dobyns, Edmunds, Ellis, Faulkner, Fern, Fields, Ford, Griffin, Hahn, Haley, Hall, Hampton, Hardin, Harris, Hays, Henry, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, Murphy, Neel, Nichols, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Reynolds, Robinson, A. C. Smith, J. D. Smith, Spurrier, Stacy, Steiger, Stidham, Summe, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 0.

HB 159 was passed and title agreed to.

Representative Ray moved that the House concur in the following Senate amendments to **HB 439**:

"Amend printed copy of **HB 439** on page 16, 17, and 18, section 3.

Page 16, delete subsection (4) (lines 13 through 19); Page 17, delete subsection (11) (lines 49 through 53); Page 18, in subsection (12) after the word "recipient" on line 57 delete the words "or to a general assistance recipient," and renumber all subsequent subsections accordingly." Agreed.

"Amend printed copy of **HB 439** on pages 19, 20, section 6. Page 19, delete subsection (3) (lines 8 and 9). Page 20, after the word "government" on line 21, delete the words "from county fiscal courts, from city legislative bodies," and delete subsection (9) (lines 28 through 32), and renumber all subsequent subsections accordingly." Agreed.

"Amend printed copy of **HB** 439 on page 21, section 7 (1), lines 9 and 10. After the word "federal" on line 9, delete the comma and add the word "and" and after the word "state" delete the words "and local" and after the word "public" on line 10, delete the words "and general." Agreed.

"Amend printed copy of **HB** 439 on pages 23-24, 25-26, sections 11, 15, lines 1-25, 1-6, respectively. Pages 23-24, delete Section 11. Pages 25-26, delete Section 15, and renumber all subsequent sections accordingly." Agreed.

"Amend printed copy of **HB** 439 Article XVII on page 62, section 3, line 2. After the words "July 1, 1960," delete the words "Article XI" and insert the words "Article X, Department of Parks." Agreed.

On the roll call, the vote was yeas 58—Barton, Bates, Baumgardner, Buckman, C. C. Carter, Castle, Childress, Clark, Cole, Colley, Cottengim, Crecelius, Dean, Dexter, Dobyns, Ellis, Farmer, Fern, Fields, Haley, Hampton, Hardin, Henry, Hill, Hinkle, Houtchens, Hopkins, Irick, Isler, Lankford, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Nichols, Nolan, Osting, Parrish, Peniston, Rausch, Ray, Rayburn, Reynolds, Roberts, Robinson, J. D. Smith, Stacy, Steiger, Stidham, Treas, Tucker, G. T. White, J. E. White, Wood, Young. Nays 3—Cook, Ford and Summe.

HB 439 was passed and title agreed to.

Representative Ray moved that the House concur in the following Senate amendment to **HB 245:**

"Amend printed copy of **HB 245** on page 1, section 1, line 12 by adding thereto the following after the word "consumption" the words "and also to charitable or fraternal organizations holding group meetings, picnics, or outings." Agreed.

On the roll call, the vote was yeas 46—Baumgardner, Buckman, Childress, Chumbler, Cook, Cottengim, Cowherd, Crecelius, Dean, Dexter, Dobyns, Farmer, Fern, Haley, Hall, Henry, Hill, Hinkle, Houtchens, Isler, Lankford, Lyon, Ben Martin, Miles, Miller, Moloney, Moorman, Murphy, Neel, Nolan, Ostertag, Osting, Parrish, Peniston, Quinn, Rausch, Ray, Rayburn, Robinson, J. D. Smith, Stacy, Steiger, Treas, Tucker, Wathen, Young. Nays 12—Barton, C. C. Carter, Clark, Cole, Denham, Edmunds, Ellis, Faulkner, Hays, Hislope, Irick, Glen T. White.

HB 245 was passed and title agreed to.

Representative Cottengim moved to concur in the following Senate amendment to **HB 250.** Agreed. Representative Cottengim moved to defer further action on **HB 250** until March 17. Agreed.

Representative Cook moved to recess for fifteen minutes for Rules Committee Meeting. Agreed.

At the appointed hour, the Speaker resumed the Chair.

Representative Ray moved that the Rules be suspended to make Committee Report. Agreed.

Report of Committee

Committee on Rules reported **SB 241** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 241, AN ACT relating to the practice of public accounting and amending Sections 325.270 and 325.330 of the Kentucky Revised Statutes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 325.270 of the Kentucky Revised Statutes is amended to read as follows:

Examinations provided for in KRS 325.220 to 325.440 shall be held by the board as often as may be necessary in the opinion of the board, but not less frequently than once each year. A candidate for the certificate of "certified public accountant" who fails in all subjects shall have the right to any number of re-examinations. A candidate who passes a satisfactory examination in any subject shall have the right to be re-examined in the remaining subjects only, at subsequent examinations held by the board, and if he passes in the remaining subjects within a period of time specified in the rules of the board, he shall be considered to have passed the examination. The board shall charge each candidate a fee not to exceed fifty dollars for the initial examination. This fee shall be payable by the candidate at the time prescribed by regulation of the board. Should the candidate fail to pass the examination, re-examinations will be given the same candidate for an additional fee not to exceed twelve dollars and fifty cents for each subject in which the candidate is examined.

Section 2. Section 325.330 of the Kentucky Revised Statutes is amended to read as follows:

Permits to engage in the practice of public accounting in this State shall be issued by the Board to holders of a certificate as "certified public accountant" issued under KRS 325.260 to 325.290 and to individuals and partnerships registered under KRS 325.280 and 325.320, after the payment by each such certificate holder, individual or partnership of an annual permit fee to be fixed by the Board not to exceed thirty dollars. All permits shall expire on the first day of July of each year, but may, annually, be renewed for a period of one year by certificate holders and registrants in good standing upon the payment of a fee for renewal as herein provided. The renewal fee is due on or before the expiration date of the holder's permit, but failure to renew a permit before expiration thereof, except as provided in KRS 325.340 (10), shall not deprive a certificate holder or registrant of the right to renewal; in such cases a certificate holder or registrant in good standing may renew his permit by payment of any and all annual fees unpaid by him since the expiration of his permit and by payment of a penalty of $10.00 in addition thereto.

Section 3. This Act shall become effective July 1, 1960.

Report on Enrolled Bills

Committee on Enrollment reported that **SB 184** and **SB 250** had been examined and found correctly enrolled. **SB 184** and **SB 250** read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Governor.

Orders of the Day

HB 338 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Moloney moved to adjourn.

On the roll call, the vote was yeas 25—Alexander, Brizendine, Caudill, Childress, Chumbler, Clark, Cook, Cowherd, Dean, Denham, Fern, Henry, Hill, Hinkle, Hislope, Lankford, C. H. Martin, Moloney, Nolan, Parrish, Peniston, Spurrier, Treas, Wathen, Wood. Nays 37—Barton, Baumgardner, Cole, Cornett, Cottengim, Crecelius, Dexter, Dobyns, Edmunds, Ellis, Faulkner, Fields, Griffin, Haley, Hall, Hampton, Harris, Isler, Lovins, Miles, Miller, Moorman, Fred Morgan, Murphy, Ostertag, Osting, Reynolds, Roberts, Robinson, J. D. Smith, Steiger, Stidham, Summe, Tucker, Glen T. White, John E. White, and Young. The motion to adjourn was rejected.

On the roll call, the vote was yeas 46—Barton, Bates, Baumgardner, Buckman, Earl Carter, Castle, Cole, Paul Cornett, Cottengim, Crecelius, Dexter, Dobyns, Edmunds, Ellis, Faulkner, Fields, Ford, Griffin, Haley, Hall, Hampton, Harris, Isler, Lyon, Ben Martin, Miles, Miller, Moorman, Fred Morgan, Murphy, Nolan, Ostertag, Osting, Qualls, Quinn, Rausch, Reynolds, Roberts, Robinson, Steiger, Stidham, Summe, Tanner, Treas, Tucker, Young. Nays 11—Alexander, Chumbler, Cowherd, Fern, C. H. Martin, Moloney, Neel, Nichols, Peniston, Wathen, G. T. White.

HB 338 was passed and title agreed to.

Representative Ray moved to adjourn until 1:00 P.M., March 17. Agreed.

FIFTY-NINTH LEGISLATIVE DAY

THURSDAY, MARCH 17, 1960

The House was called to order by the Speaker.

Invocation by Reverend John C. Chenault of the First Christian Church of Frankfort.

The roll was called. All present except Representatives Burress, Caudill, Cook, Dobyns, Fitzpatrick, Hahn, Hall, Hill, Hopkins, Murphy, Neel, Ray, Reynolds, Steiger, Tanner and Wathen, who were granted leaves of absence by motion of Representative Lyon.

Reading of the Journal for March 16, dispensed with and approved on motion of Representative Isler.

Report on Enrolled Bills

Committee on Enrollment reported that **SB 198**, **HB 439**, **HB 438**, **HB 464**, **HB 383**, **HB 342**, **HB 309**, **HB 277**, **HB 270**, **HB 268**, **HB 245**, **HB 209** and **HB 159** had been examined and found correctly enrolled. **HB 439**, **HB 438**, **HB 464**, **HB 383**, **HB 342**, **HB 309**, **HB 277**, **HB 270**, **HB 268**, **HB 245**, **HB 209** and **HB 159** read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate. **SB 198** read at length, compared and signed in open session by the Speaker. Ordered delivered to the Governor.

HB 439, **HB 438**, **HB 464**, **HB 383**. **HB 342**, **HB 309**, **HB 277**, **HB 270**, **HB 268**, **HB 245**, **HB 209** and **HB 159** delivered, signed by President of the Senate. Ordered delivered to the Governor.

Motions, Petitions and Communications

HR 130, by Representatives A. C. Smith, Cornett:

HR 130 A CONCURRENT RESOLUTION relating to military service recognition.

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the Department of Military Affairs, together with the Kentucky Historical Society, the interested veterans clubs and organizations and their auxiliaries, and the interested community service clubs and organizations, shall ascertain and verify the names, addresses, and places of birth of all Kentuckians who have been awarded the United States Armed Forces Medal of Honor, and shall formulate such plans, designs and inscriptions as may be necessary and appropriate for the creation of a historical marker at or near the home of each recipient thereof.

Section 2. That the Department of Military Affairs shall coordinate, aid and assist any local interested veterans or civic club or organization, or any group of them seeking the erection of such a historical marker who shall cooperate and contribute sufficient information, services and funds as may be required by the department to erect such a historical marker.

Section 3. That the University of Kentucky shall construct the Medal of Honor Historical markers pursuant to the request and according to the specifications and design of the Department of Military Affairs and the Kentucky Historical Society.

Section 4. That the Department of Highways shall erect the Medal of Honor Historical markers pursuant to the request and in the place and manner designated by the Department of Military Affairs and the Kentucky Historical Society.

Section 5. That the Department of Military Affairs shall prescribe such rules and regulations as may be necessary to administer this Resolution.

Section 6. That the Clerk of the House of Representatives is directed to send a copy of this Resolution to the Adjutant General, to the Commissioner of Highways, to the President of the University of Kentucky, and to the Director of the Kentucky Historical Society.

Representative A. C. Smith moved the adoption of **HR 130.** Agreed.

Representative Ray moved that the House concur in the following Senate amendment to **HB 250:**

"Amend printed copy of **HB 250** on page 3, Section 1, line 19 by deleting the word "includes" and substituting in lieu thereof the word "means", and, on page 3, section 1, by adding the following new subsection after subsection (4) ending on line 26:

(5) "Highway or highways" as used in this Act means limited access highway, interstate highway, or turnpike as defined in this Act, and

on page 5, section 4, by adding the following new subsection after subsection (3), ending on line 19:

(4) Advertising devices which otherwise comply with the applicable zoning ordinances and regulations of any county or city, and which are to be located in a commercially or industrially developed area, in which the Commissioner of Highways determines, in excise of his sound discretion, that the location of such advertising devices is compatible with the safety and convenience of the traveling public."

On the roll call, the vote was yeas 69—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, Earl Carter, Caudill, Childress, Chumbler, Cole, Colley, Cottengim, Crecelius, Davis, Denham, Dexter, Dobyns, Dowell, Ellis, Farmer, Fern, Fields, Haley, Hampton, Harris, Henry, Hill, Hinkle, Houtchens, Hopkins, Irick Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, L. F. Morgan, Nichols, Nolan, Osborn, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Roberts, Robinson, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Stidham, Tanner, Treas, Tucker, Wathen, G. T. White, Wood, Young. Nays 11—Chas. C. Carter, Clark, Cornett, Cowherd, Faulkner, Garner, Hardwick, Hays, Isler, Spurrier, Summe. **HB 250** was passed and the title agreed to.

Motions, Petitions and Communications

Representative Ray moved to adopt **SR 27.** Agreed.

SR 27, A JOINT RESOLUTION authorizing and directing the Legislative Research Commission to make a study of the need for additional institutions of higher learning within the Commonwealth.

WHEREAS, it is essential to have well educated men and women to ensure the continued growth and prosperity of the Commonwealth; and

WHEREAS, it is incumbent upon the Commonwealth to ensure that adequate facilities are available to educate and train its men and women;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Legislative Research Commission is authorized and directed to make an investigation and study of the need for additional institutions of higher learning within the Commonwealth.

Section 2. That for the purposes of this study the Legislative Research Commission shall consider the adequacy of institutions without the Commonwealth as well as within, and the need for junior colleges and four-year colleges in all areas of the Commonwealth.

Section 3. That the Department of Education, and such other state agencies as the Legislative Research Commission may require, are directed to cooperate to the fullest extent in the preparation of the study.

Section 4. That the Legislative Research Commission shall include its findings in a report to the General Assembly of the Commonwealth of Kentucky, such report to be submitted to the 1962 Regular Session.

HR 105, by Representative Ray:

Representative Ray moved to adopt **HR 105.** Agreed.

HR 105, A JOINT RESOLUTION authorizing and directing the Legislative Research Commission to make a study of the laws relating to planning and zoning.

WHEREAS, the interests of the Comonwealth will be best served by its orderly growth; and

WHEREAS, planning and zoning can effectively guide the growth of the Commonwealth, but must be carefully applied to avoid limiting the growth of the Commonwealth; and

WHEREAS, numerous planning and zoning statutes and ordinances are now in effect, and many planning and zoning proposals have been made; and

WHEREAS, the Commonwealth would be benefited by a comprehensive study of planning and zoning to guide future sessions of the General Assembly;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth Kentucky:

Section 1. That the Legislative Research Commission is authorized and directed to conduct a comprehensive study to determine the desirability and feasibility of altering the form, scope, operation and administration of existing laws relating to planning and zoning.

Section 2. That the Department of Economic Development and such other state agencies as the Legislative Research Commission may designate are directed to cooperate to the fullest extent with the Legislative Research Commission in this study.

Section 3. That the results of the study, including findings and recommendations, be made the subject of a report to be submitted to the 1962 Regular Session of the General Assembly.

Representative Ray moved to adopt **SR 55.**

SR 55, A JOINT RESOLUTION authorizing and directing the Legislative Research Commission to make a comprehensive study of the Kentucky Inheritance and Estate Tax Law, and to make recommendations based upon this study to the General Assembly of the Commonwealth of Kentucky at the 1962 regular session.

WHEREAS, few changes have been made in the Inheritance and Estate Tax law since it was enacted; and

WHEREAS, new taxing laws have been enacted at later times;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Legislative Research Commission be and is authorized and directed to make a comprehensive study of the Kentucky Inheritance and Estate Tax law, including but not limited to the provisions of KRS Chapter 140 and the relationship of that chapter with other taxes imposed by Kentucky, other states, and the United States.

Section 2. That the Legislative Research Commission be and is directed to make recommendations based upon this study to the General Assembly of the Commonwealth of Kentucky at the 1962 regular session.

Representative Ray moved to adopt **SR 63.** Agreed.

SR 63, A RESOLUTION – MEMORIALIZING – GENERAL ZACHARY TAYLOR.

WHEREAS the remains of General Zachary Taylor, the twelfth President of the United States, and his beloved wife, Margaret, lie entombed in a beautiful marble mausoleum in the Zachary Taylor National Cemetery on the outskirts of Louisville, Jefferson County, Kentucky surrounded by the graves of Veterans from the Spanish American War to the Wars of the present era; and

WHEREAS a small group of patriotic Kentuckians under the leadership of Mrs. C. D. Greer of Louisville as Chairman of the Zachary Taylor Memorial Committee of the Outdoor Art League of Louisville, in 1921, undertook the task of beautifying the Zachary Taylor Burial Grounds, and to make of them a fitting resting place for this beloved soldier in the fall of 1922. The first step toward the development of the project was undertaken by the planting of pin oaks, and on March 10, 1924 the Kentucky Legislature enacted a Bill which was signed by Governor William J. Fields, requiring the State of Kentucky to deed to Jefferson County that part of the Zachary Taylor Burial Grounds and road which had been deeded to the State in 1881 by Mr. George McCurdey, and on April 22, 1924 Jefferson County appropriated $10,000 for the building of a roadway leading to the burial grounds. In June of 1924, the Honorable Maurice Thatcher, Member of Congress from Louisville and Jefferson County, introduced a Bill in the Congress calling for an annual appropriation for the maintenance of the grounds, the Bill was enacted by the Congress and signed by President Calvin Coolidge on February 24, 1925. Thus was established the Zachary Taylor National Shrine, and in 1926, the Kentucky Legislature enacted a Bill which was signed by Governor William J. Fields, appropriating funds for the purchase of fifteen acres of ground surrounding the Zachary Taylor Burial Grounds, which was promptly purchased and deeded to the United States Government for the establishment of the Zachary Taylor National Cemetery, and was so dedicated on May 31, 1928. The dedicatory address was delivered by the Honorable Maurice Thatcher, Member of Congress from the Third Congressional District of Kentucky, who began his address with these glowing words:

> "We are here today to dedicate this lovely mausoleum which shall hold through the indefinite future, all that remains of the sacred dust of that splendid Kentuckian, that great American, that splendid soldier, and citizen, Zachary Taylor, the Twelfth President of the United States."; and

WHEREAS General Zachary Taylor, affectionately called "Old Rough and Ready" by the Officers and Soldiers who served with him out of respect for his courageous and energetic leadership, was born on 24 November 1784, in Montebello, Orange County, Virginia, and a year later migrated with his family to Jefferson County, Kentucky, and thus truly became an early Kentucky pioneer. In 1806, General Zachary Taylor, volunteered for the Army which he served for forty years. When the war with England broke out in 1812, Taylor a Major was sent with fifty men to the defense of Fort Harrison on the Wabash River in Indiana, where on 4 September 1812, Indians led by Tecumseh furiously attacked and after seven hours of hard fighting they were forced to flee in disorder. As a Colonel, Taylor in 1832 participated in the Black Hawk campaign, and for the defeat of the Seminoles in the Battle of Okeechobe in December 1837, he was brevetted Brigadier General, and in 1840, General Taylor was promoted to command the southern division of the western department of the Army. As Commander of the Army of the Rio Grande, General Taylor on 6 March 1846, was instructed to march to the Rio Grande, which was recognized by the United States as the southern boundary of Texas, but rejected by Mexico, and his first encounter with the Mexicans occurred on 8 May 1846 at Palo Alto, followed the next day by the battle of Resaca de la Paloma. General Taylor defeated the Mexicans in this and the war with Mexico was begun. On 21 September 1846, General Taylor marched on Monterey, the chief stronghold in Northern Mexico. General Ampudia, the Mexican commander, proposed surrender and terms were agreed on, then late in the autumn of 1846, General Santa Anna with a large army marched against General Taylor, who had taken a position near Buena Vista, on 22 February 1847. General Santa Anna made a demand upon General Taylor for surrender, which was promptly refused and battle ensued, and just before the battle, General Taylor addressed his troops, "Soldiers, I intend to stand here not only so long as a man remains, but so long as a piece of a man is left," by nightfall the Mexicans were fleeing in confusion. With a force one-fourth the size of the enemy, General Taylor had won his greatest victory and won the Mexican War. In 1848 General Taylor was elected President of the United States and was inaugurated on 5 March 1849. On 4 July 1850, President Taylor, while attending a ceremony connected with the building of the George Washington monument, became ill and died on 9 July 1850, and shortly thereafter he was brought to Kentucky and interred in the Taylor family burial ground, now the Zachary Taylor National Cemetery, neglected and almost forgotten by the Nation until the Outdoor Art League of Louisville in 1921 initiated their plan for the establishment of a Zachary Taylor National Shrine; and

WHEREAS the fifteen acres acquired by the State of Kentucky and deeded to the United States Government for the establishment of a Zachary Taylor National Shrine and Cemetery is now completely filled with the remains of service men and their families and sixty-three members of the Zachary Taylor family and two hundred slaves, and unless additional acreage is obtained the Cemetery will be permanently closed to service men and their families forever; and

WHEREAS the Zachary Taylor National Cemetery is an important link in the system of national military cemeteries in this country, and the closing of this Cemetery will create and cause great hardship to the families of countless number of veterans and service men desiring to be interred in Kentucky, especially in the Zachary Taylor National Cemetery; the National Cemetery should not only be enlarged for cemetery purposes but the home of Zachary Taylor "Springfield," adjacent to Zachary Taylor National Cemetery, should be acquired for a National Shrine and become a part of the Zachary Taylor National Cemetery thus making the Cemetery and the home a National Shrine; and

WHEREAS "Springfield" the home of General Zachary Taylor for the first twenty-three years of his life, now 175 years old, built by General Taylor's father upon moving to Kentucky from Virginia, situated on Apache Road, in an excellent state of preservation, privately owned, the owners having indicated, as reported in an article appearing in the Louisville Courier-Journal on Sunday, 24 January 1960, that they would make the home available to the Government if assured it would become a part of a shrine, that this home stands near the old Taylor Burial Grounds and now the Zachary Taylor National Cemetery, and that Time Magazine reported recently that the National Park Service is considering a systematic survey to ensure that at least one residence for each president will be preserved; and

WHEREAS it appears that the memory of the life and exploits of Kentucky's greatest military leader and the twelfth President of the United States is not well known to many of us and forgotten generally by the public, hence, it behooves us, in reverence and everlasting appreciation for the accomplishments of General Zachary Taylor, for his leadership and services in making a great contribution to this Nation, which greatly helped in the formation of our United States as we have it today, and that the acquirement of his old home, "Springfield" for a National Shrine and for the expansion of the Zachary Taylor National Cemetery, where he will be surrounded by honored Veterans of the Wars of the United States, will, indeed, be helpful and a fitting way of rendering a needed service to our service men and women and the Veterans of our armed forces, and in preserving the memory of General Zachary Taylor;

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky, the House of Representatives concurring therein:

(1) That the foregoing resolution in respect to General and former President of the United States, the Honorable Zachary Taylor, that the Congress of the United States of America be, and it hereby is memorialized to consider appropriate legislation to acquire "Springfield" the former home of General Zachary Taylor and to acquire additional acreage for the expansion of the Cemetery.

(2) That a bill has been introduced in the House of Representatives by the Honorable Frank W. Burke, Member of Congress from the Third Congressional District of Kentucky, and one in the United States Senate by the Honorable John Sherman Cooper, United States Senator from Kentucky, seeking expansion of the Zachary Taylor National Cemetery, assuring its expansion and permanent existence as a cemetery and shrine.

(3) That the Clerk of the Senate be directed to forward a copy of this Resolution to the Governor of the Commonwealth of Kentucky, the Lieut. Governor, Speaker of the House of Representatives, Kentucky members of the United States Congress, the Chairmen of the House Military Affairs and Veterans Affairs Committee of the United States Congress, a copy to the Secretary of Defense, Secretary of the Army, and the Secretary of the Interior, urgently soliciting their support in the accomplishment of the purpose of this Resolution—the acquisition of "Springfield" and additional acreage for the expansion of Zachary Taylor National Cemetery.

HR 129, by Representative Fields:

Representative Ray moved to adopt **HR 129.** Agreed.

HR 129, A CONCURRENT RESOLUTION relating to the Legislative Record for the 1960 session of the General Assembly.

WHEREAS, the Legislative Record is the only document immediately available that shows daily actions on legislation; and

WHEREAS, each member of the General Assembly receives only one copy per day during the course of the session; and

WHEREAS, the Final Legislative Action copy and the Final Executive Action copy will be published well in advance of the Journals; and

WHEREAS, each member will need more than one copy of these two issues of the Record.

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the Director of the Legislative Research Commission be and hereby is authorized and directed to acquire from the printer a sufficient number of copies of the Final Legislative Action and the Final Executive Action issues of the 1960 Legislative Record, to furnish each member of the House and the Senate ten copies of each of the two issues.

Representative Ray moved to adopt **SR 62.** Agreed.

SR 62, A CONCURRENT RESOLUTION relating to water resources development.

WHEREAS, the State of Kentucky has more miles of running streams than any other state in the Union, and

WHEREAS, there is a great need for water in connection with the expansion of industry, the conservation of natural resources, the realization of expanding recreational needs, the abatement of pollution, in agricultural development, the development of parks, the promotion of tourism, the enhancement of fish and wildlife habitat, and for increasing domestic uses, and

WHEREAS, the State Flood Control and Water Usage Board, by the provision of KRS 104.390 et seq. is charged with the responsibility of studying and reviewing for the State as its official body all surveying reports, engineering reports and other data which might effect the usage of the water resources of the State, and

WHEREAS, the Department of Parks is charged with the responsibility of developing public parks throughout the entire State, utilizing natural and artificial impoundments of water for public recreation uses, and

WHEREAS, the Department of Fish and Wildlife Resources is charged with the responsibility of promoting the conservation and propagation of fish and other aquatic life in the streams and impoundments of the Commonwealth, and

WHEREAS, the Department of Conservation is charged with the responsibility of promoting the conservation of the natural resources of the Commonwealth, and

WHEREAS, the Department of Economic Development is charged with the responsibility of facilitating industrial location in the State of Kentucky and of enhancing industrial and business opportunity within the State of Kentucky, and

WHEREAS, the Kentucky Water Pollution Control Commission is charged with the responsibility of improving the purity and quantity of the elimination of pollution of the waters of the Commonwealth, and

WHEREAS, the Department of Highways is engaged in a comprehensive program of construction of roads and highways in the Commonwealth of Kentucky involving substantial fills in gorges and valleys, making possible new lake sites, and

WHEREAS, it is the sense of the Senate of the General Assembly of the Commonwealth of Kentucky, and the House concurring therein, that every effort should be made to develop fully the water resources of the Commonwealth of Kentucky,

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky, the House of Representatives concurring therein:

1. That the State Flood Control and Water Usage Board, the Department of Parks, the Department of Fish and Wildlife Resources, the Department of Conservation, the Department of Economic Development, the Kentucky Water Pollution Control Commission and the Department of Highways are directed to work harmoniously and cooperatively in discovering practical locations and possible sites for lakes and impoundments of water to more fully develop the potential water resources of the Commonwealth of Kentucky.
2. That full information concerning the programs and objectives of each such agency be made available to the other agencies mentioned herein for the purpose of realizing the full development of water resources development objectives.
3. That this resolution supersedes all prior declarations of policy of the Legislature concerning the cooperative development of water resources within the Commonwealth of Kentucky.
4. That copies of this resolution be sent to the Governor of this Commonwealth and each of the Departments and Agencies of State Government mentioned herein.

Calendar

SB 197, SB 237, SB 271, SB 272, SB 273, SB 218, SB 282, SB 283, SB 284, SB 166, SB 185, SB 193, SB 255, SB 241, SB 157, SB 68 and SR 56 were taken from the Calendar and ordered read at length for the second time. Representative Ray moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

SB 266 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Ray moved the Previous Question on **SB 266.** Agreed.

On the roll call, the vote was yeas 51—Bates, Baumgardner, C. C. Carter, Castle, Caudill, Childress, Cole, Colley, Paul Cornett, Cottengim, Dexter, Dobyns, Farmer, Fern, Griffin, Hahn, Hardin, Hardwick, Harris, Houtchens, Hopkins, Irick, Isler, Lankford, Lyon, Ben Martin, C. H. Martin, Miller, Moorman, Murphy, Nichols, Nolan, Ostertag, Osting, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Reynolds, Robinson, Slusher, A. C. Smith, J. D. Smith, Spurrier, Stacy, Stidham, G. T. White, J. E. White, Wood. Nays 36—Alexander, Brizendine, Clark, Cook, Cowherd, Crecelius, Dean, Denham, Edmunds, Ellis, Faulkner, Fields, Ford, Garner, Haley, Hall, Hampton, Henry, Hill, Hinkle, Hislope, Miles, Moloney, Fred Morgan, Luther F. Morgan, Neel, Osborn, Parrish, Peniston, Roberts, Summe, Tanner, Treas, Tucker, Wathen and Young. **SB 266** was passed and the title agreed to.

Senate Message

Announcing passage of **HB 431, HB 429, HB 485, HB 466, HB 493, HB 494, HB 469, HB 470, HB 168, HB 276, HB 492, HB 471, HB 457, HB 445, HB 422, HB 358, HB 285, HB 255** and **HB 254.**

The Speaker vacated the Chair, and Representative Fred Morgan presided.

HR 132, by Representative Render:

HR 132, A RESOLUTION expressing the sentiments of the House of Representatives on the usual St. Patrick's Day entertainment.

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives expresses its regrets that the usual St. Patrick's Day entertainment will not be presented; and expresses its appreciation to genial Irishman Senator C. W. A. McCann for his talents and efforts in this connection, upon his success in producing such wholesome entertainment, and for making such wholesome entertainment available to the House in times past.

Section 2. That the Clerk of the House of Representatives be and is directed to send a copy of this Resolution to Senator C. W. A. McCann.

Representative Render moved the adoption of **HR 132.** Agreed.

The Speaker appointed the following committee to confer with a like committee from the Senate regarding Senate amendment to **HB 109:** Representatives Isler, Cottengim, Summe, Murphy and Ostertag.

Orders of the Day

Representative Ray moved that the House concur in the following Senate amendment to **HB 431:** "Amend printed copy of House Bill 431 on page 11 by adding a new section to read as follows: Section 15. Whereas, the development of a state-wide airport program is an integral part of the present executive and legislative program, and whereas, it is necessary to take advantage of federal laws in as short a time as possible, an emergency is declared to exist and this Act shall take effect upon its passage and approval by the Governor." Agreed.

On the roll call, the vote was yeas 77—Alexander, Barton, Bates, Baumgardner, Buckman, Earl Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Paul Cornett, Cowherd, Crecelius, Dean, Denham, Dobyns, Edmunds, Ellis, Farmer, Fern, Fields, Ford, Garner, Griffin, Haley, Hall, Hampton, Hardwick, Harris, Hays, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Nichols, Nolan, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Reynolds, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Stidham, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 0. **HB** 431 was passed and the title agreed to.

Representative Ray moved that the House concur in the following Senate amendment to **HB** 429: "Amend printed copy of House Bill 429 on page 48 by adding a new section to read as follows: Section 84. Whereas, the development of a state-wide airport program is an integral part of the present executive and legislative program, and whereas, it is necessary to take advantage of federal laws in as short a time as possible, an emergency is declared to exist and this Act shall take effect upon its passage and approval by the Governor." Agreed.

On the roll call, the vote was yeas 68—Barton, Bates, Baumgardner, Brizendine, Buckman, Castle, Caudill, Childress, Chumbler, Cole, Colley, Paul Cornett, Cowherd, Crecelius, Dean, Dobyns, Edmunds, Ellis, Fern, Fields, Ford, Garner, Griffin, Haley, Hall, Hampton, Hardwick, Harris, Hays, Henry, Hill, Hislope, Houtchens, Hopkins, Irick, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moorman, Murphy, Nichols, Nolan, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Reynolds, Robinson, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Stidham, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 0. **HB** 429 was passed and the title agreed to.

SB 158 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 68—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Cook, Paul Cornett, Cowherd, Crecelius, Dean, Denham, Dobyns, Edmunds, Ellis, Fern, Fields, Ford, Garner, Griffin, Haley, Hampton, Hardwick, Henry, Hill, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Moloney, Moorman, Murphy, Nichols, Nolan, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Render, Robinson, Slusher, J. D. Smith, Virgil Smith, Stacy, Stidham, Tanner, Treas, Tucker, G. T. White, J. E. White, Wood, Young. Nays 0. **SB 158** was passed and the title agreed to.

SB 168 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 66—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, Castle, Childress, Clark, Cole, Colley, Cook, Paul Cornett, Cottengim, Cowherd, Crecelius, Dean, Dobyns, Edmunds, Ellis, Fern, Fields, Haley, Hall, Hampton, Hays, Henry, Hill, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Murphy, Nichols, Nolan, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Stidham, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 1—Griffin, **SB 168** was passed and the title agreed to.

SB 182 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 68—Alexander, Barton, Bates, Baumgardner, Brizendine, C. C. Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Cowherd, Crecelius, Dean, Denham, Dobyns, Edmunds, Ellis, Fern, Fields, Ford, Garner, Griffin, Haley, Hall, Hampton, Hays, Henry, Hislope, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moorman, Murphy, Nichols, Nolan, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Render, Robinson, Slusher, J. D. Smith, Virgil Smith, Stacy, Stidham, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 0. **SB 182** was passed and the title agreed to.

SB 223 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 62—Alexander, Barton, Bates, Baumgardner, Buckman, Earl Carter, Childress, Chumbler, Clark, Cole, Colley, Cook, Cottengim, Cowherd, Crecelius, Dean, Dobyns, Edmunds, Ellis, Fields, Garner, Haley, Hampton, Hardin, Hays, Henry, Hill, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Nichols, Nolan, Osborn, Osting, Parrish, Peniston, Quinn, Rausch, Ray, Render, Robinson, Slusher, J. D. Smith, Virgil Smith, Stacy, Stidham, Tanner, Treas, Tucker, G. T. White, J. E. White, Wood. Nays 0. SB 223 was passed and the title agreed to.

SB 224 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 66—Alexander, Barton, Bates, Baumgardner, Buckman, Earl Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Cottengim, Cowherd, Crecelius, Dean, Dobyns, Edmunds, Ellis, Fern, Fields, Haley, Hampton, Hardin, Hays, Hill, Houtchens, Hopkins, Irick, Isler, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Nichols, Nolan, Osborn, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Stidham, Tanner, Treas, Tucker, G. T. White, J. E. White, Wood, Young. Nays 0. SB 224 was passed and the title agreed to.

SB 165 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 61—Barton, Bates, Baumgardner, Brizendine, Buckman, Earl Carter, Castle, Childress, Chumbler, Cole, Colley, Cook, Cottengim, Crecelius, Dobyns, Edmunds, Ellis, Farmer, Fern, Fields, Garner, Haley, Hampton, Hardwick, Henry, Hill, Hinkle, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Moorman, Murphy, Nichols, Nolan, Ostertag, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Robinson, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Stidham, Tanner, Treas, Tucker, Wathen, G. T. White, Young. Nays 13—Alexander, C. C. Carter, Caudill, Clark, Cornett, Faulkner, Griffin, Hall, Hardin, Hays, Hislope, Osborn, Osting. SB 165 was passed and the title agreed to.

SB 159 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 63—Bates, Baumgardner, Brizendine, Buckman, Earl Carter, Castle, Childress, Clark, Cole, Cook, Cottengim, Cowherd, Crecelius, Dean, Dobyns, Edmunds, Ellis, Farmer, Faulkner, Fern, Fields, Haley, Hampton, Henry, Hill, Hinkle, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, C. H. Martin, Miles, Miller, Moloney, Moorman, L. F. Morgan, Murphy, Nichols, Nolan, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Robinson, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Stidham, Treas, Tucker, G. T. White, Wood, Young. Nays 4—Hall, Ed Hays, Hislope and Osborn. **SB 159** was passed and the title agreed to.

SB 180 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 77—Alexander, Barton, Bates, Baumgardner, Buckman, C. C. Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Cook, Paul Cornett, Cottengim, Cowherd, Crecelius, Davis, Dean, Dobyns, Edmunds, Ellis, Faulkner, Fern, Fields, Ford, Garner, Haley, Hall, Hampton, Hardwick, Hays, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, L. F. Morgan, Nichols, Nolan, Osborn, Osting, Parrish, Peniston, Quinn, Rausch, Ray, Rayburn, Render, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Stidham, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 0. **SB 180** was passed and the title agreed to.

SB 251 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 66—Alexander, Bates, Baumgardner, Brizendine, Buckman, Castle, Childress, Chumbler, Clark, Cole, Cottengim, Cowherd, Crecelius, Dobyns, Edmunds, Ellis, Farmer, Fern, Fields, Ford, Haley, Hall, Hampton, Hays, Henry, Hill, Hinkle, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, L. F. Morgan, Nichols, Nolan, Osborn, Osting, Parrish, Peniston, Quinn, Rausch, Ray, Rayburn, Render, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Stidham, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, Wood, Young. Nays 1—Hislope. **SB 251** was passed and the title agreed to.

SB 252 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 79—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, Earl Carter, Castle, Childress, Clark, Cole, Colley, Cook, Paul Cornett, Cottengim, Cowherd, Crecelius, Davis, Dean, Dexter, Dobyns, Edmunds, Ellis, Farmer, Faulkner, Fern, Ford, Garner, Griffin, Haley, Hall, Hampton, Hardwick, Hays, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Murphy, Neel, Nichols, Nolan, Osborn, Ostertag, Parrish, Peniston, Quinn, Rausch, Ray, Rayburn, Roberts, Robinson, Slusher, J. D. Smith, Virgil Smith, Stacy, Stidham, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 0. **SB 252** was passed and the title agreed to.

SB 253 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 69—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Castle, Caudill, Childress, Cole, Colley, Cook, Cowherd, Davis, Dean, Dexter, Dobyns, Edmunds, Ellis, Fern, Ford, Garner, Griffin, Haley, Hall, Hampton, Hardin, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Murphy, Neel, Nichols, Osborn, Ostertag, Parrish, Peniston, Quinn, Ray, Rayburn, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Stidham, Summe, Tanner, Tucker, G. T. White, J. E. White, Wood. Nays 2—B. Clark and Rausch. **SB 253** was passed and the title agreed to.

SB 225 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 66—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, Castle, Caudill, Childress, Chumbler, Cole, Colley, Cook, Paul Cornett, Cottengim, Cowherd, Davis, Dean, Dexter, Dobyns, Edmunds, Ellis, Fern, Garner, Griffin, Haley, Hampton, Henry, Hill, Hinkle, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Murphy, Neel, Nichols, Nolan, Osborn, Ostertag, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Reynolds, Roberts, Robinson, Slusher, J. D. Smith, Virgil Smith, Stacy, Stidham, Summe, Tanner, Tucker, Wood, Young. Nays 0. **SB 225** was passed and the title agreed to.

SB 195 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 78—Barton, Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Cook, Paul Cornett, Cottengim, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Faulkner, Fern, Ford, Garner, Griffin, Haley, Hampton, Hays, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Ben Martin, C. H. Martin, Miles, Miller, Moorman, Murphy, Neel, Nichols, Nolan, Osborn, Ostertag, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Reynolds, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 0. **SB 195** was passed and the title agreed to.

SB 99 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 68—Alexander, Barton, Baumgardner, Brizendine, Buckman, Earl Carter, Castle, Caudill, Childress, Clark, Cole, Colley, Cook, Cottengim, Davis, Dean, Denham, Dexter, Dobyns, Edmunds, Ellis, Farmer, Ford, Garner, Griffin, Haley, Hardin, Henry, Hill, Hinkle, Houtchens, Hopkins, Irick, Isler, Lovins, Lyon, Ben Martin, Miles, Miller, Moorman, L. F. Morgan, Murphy, Neel, Nichols, Nolan, Osborn, Ostertag, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Reynolds, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, Wood. Nays 0. **SB 99** was passed and the title agreed to.

SB 163 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 68—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, Castle, Childress, Chumbler, Clark, Cole, Cook, Paul Cornett, Cottengim, Cowherd, Dean, Denham, Dobyns, Edmunds, Ellis, Farmer, Fern, Fields, Ford, Garner, Hampton, Hardwick, Hays, Henry, Hinkle, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, L. F. Morgan, Murphy, Nichols, Nolan, Osborn, Ostertag, Osting, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Reynolds, Robinson, J. D. Smith, Virgil Smith, Stacy, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, Young. Nays 0. **SB 163** was passed and the title agreed to.

SB 84 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 81—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Earl Carter, Castle, Caudill, Childress, Clark, Cole, Colley, Cook, Paul Cornett, Cottengim, Cowherd, Crecelius, Dean, Denham, Dexter, Dobyns, Edmunds, Ellis, Farmer, Faulkner, Fern, Fields, Ford, Garner, Griffin, Haley, Hampton, Hardin, Hardwick, Harris, Hays, Henry, Hill, Hinkle, Houtchens Hopkins, Irick, Isler, Lovins, Lyon, C. H. Martin, Miles, Miller, Moloney, Moorman, L. F. Morgan, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Reynolds, Robinson, Slusher, A. C. Smith, J. D. Smith, Stacy, Stidham, Tanner, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 0. **SB 84** was passed and the title agreed to.

SB 173 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Ray moved to amend **SB 173** as follows: "On pages 4 and 5, Art. I, and sections 6 and 7, by striking all of sections 6 and 7 of Art. I on pages 4 and 5; Also amend the printed copy of said bill on pages 10 and 11, Art. III, section 8, subsection (4), lines 31 through 38, by striking all of subsection (4) of said section 8 of Art. III, consisting of lines 31 through 38 on pages 10 and 11." Agreed.

On the roll call, the vote was yeas 77—Alexander, Barton, Baumgardner, Brizendine, Buckman, C. C. Carter, Earl Carter, Castle, Childress, Clark, Cole, Colley, Cook, Paul Cornett, Cottengim, Cowherd, Dean, Denham, Dexter, Dobyns, Edmunds, Ellis, Farmer, Faulkner, Fern, Fields, Ford, Haley, Hall, Harris, Hays, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, L. F. Morgan, Murphy, Neel, Nichols, Nolan, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Roberts, Robinson, J. D. Smith, Virgil Smith, Stacy, Stidham, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood. Nays 0. **SB 173** was passed and the title agreed to.

Representative Ray moved that **SB 102** be substituted for **HB 102** on Orders of the Day. Agreed.

SB 102 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Ray moved to adopt Committee Substitute to **SB 102**. Agreed.

Representative Hardin moved to amend **SB 102** as follows:

"Amend printed copy of Committee Substitute for Senate Bill 102 on page 3 by adding a new section to read as follows: "Section 4, There shall be established and maintained an extension division of Morehead State College in the city of Prestonsburg, Floyd County."

On the roll call, the vote was yeas 36—Brizendine, C. C. Carter, Castle, Caudill, Clark, Colley, Paul Cornett, Crecelius, Dean, Denham, Edmunds, Ellis, Fern, Ford, Garner, Griffin, Hall, Hardin, Hardwick, Harris, Hays, Hill, Hinkle, Lyon, Ben Martin, C. H. Martin, Nolan, Parrish, Peniston, Rayburn, Render, Robinson, Stacy, Tucker, J. E. White, Wood. Nays 38—Barton, Bates, Buckman, Earl Carter, Cole, Cook, Cottengim, Dobyns, Dowell, Farmer, Fields, Haley, Hampton, Henry, Hopkins, Houtchens, Irick, Isler, Lankford, Moloney, Moorman, Luther F. Morgan, Murphy, Neel, Nichols, Osborn, Rausch, Ray, Reynolds, Roberts, Slusher, Albert C. Smith, Virgil Smith, Spurrier, Tanner, Treas, Wathen and Young. The amendment to **SB 102** was rejected.

The Speaker resumed the Chair.

Representative Ray moved the Previous Question on **SB 102.**

On the roll call, the vote was yeas 44—Bates, Baumgardner, Buckman, Earl Carter, Childress, Cole, Cook, Cottengim, Cowherd, Dexter, Dobyns, Dowell, Farmer, Fields, Haley, Henry, Hill, Houtchens, Hopkins, Isler, Lankford, Lovins, Moloney, Moorman, Fred Morgan, L. F. Morgan, Murphy, Nichols, Nolan, Ostertag, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Reynolds, A. C. Smith, Virgil Smith, Spurrier, Stidham, Tanner, Treas. Nays 28—Brizendine, Castle, Clark, Colley, Crecelius, Dean, Denham, Edmunds, Ellis, Faulkner, Garner, Griffin, Hardin, Hardwick, Hays, Hinkle, Lyon, Ben Martin, C. H. Martin, Parrish, Roberts, Robinson, Stacy, Tucker, Wathen, John E. White, Wood, and Young. The Previous Question was adopted on **SB 102.**

On the roll call, the vote was yeas 49—Alexander, Barton, Bates, Baumgardner, Buckman, Earl Carter, Childress, Cole, Cook, Paul Cornett, Cottengim, Denham, Dexter, Dobyns, Dowell, Farmer, Fields, Griffin, Haley, Hardwick, Henry, Hinkle, Houtchens, Hopkins, Isler, Lankford, Lovins, Lyon, Moloney, Moorman, Fred Morgan, L. F. Morgan, Murphy, Neel, Nichols, Nolan, Ostertag, Quinn, Rausch, Ray, Rayburn, Reynolds, A. C. Smith, Virgil Smith, Spurrier, Stacy, Stidham, Tanner, Young. Nays 16—Brizendine, Castle, Crecelius, Dean, Edmunds, Ellis, Ford, Garner, Hampton, Hardin, Miles, Parrish, Peniston, Roberts, Tucker, Wathen. **SB 102** was passed and the title agreed to.

Representative Ray moved that the vote by which said bill was passed be reconsidered and said motion be laid on the table. Agreed.

SB 153 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at lnegth for the third time. Repre-

sentative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Ray moved to amend **SB 153** as follows: "On page 1, line following line 8 by adding the following as a new paragraph: "This Act shall not become effective until July 1, 1962." Agreed.

On the roll call, the vote was yeas 66—Alexander, Baumgardner, Brizendine, Castle, Childress, Clark, Cole, Paul Cornett, Cottengim, Crecelius, Dean, Denham, Dexter, Dobyns, Ellis, Farmer, Fern, Fields, Garner, Griffin, Hahn, Haley, Hall, Hampton, Harris, Hays, Henry, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lyon, Ben Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, Murphy, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Reynolds, Roberts, Robinson, A. C. Smith, J. D. Smith, Virgil Smith, Stidham, Summe, Tanner, Treas, Tucker, Wood. Nays 0. **SB 153** was passed and the title agreed to.

SB 219 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 67—Alexander, Bates, Baumgardner, Earl Carter, Caudill, Childress, Clark, Colley, Cook, Cottengim, Cowherd, Crecelius, Dean, Dexter, Dobyns, Edmunds, Ellis, Farmer, Fern, Fields, Hahn, Haley, Hall, Hampton, Hardwick, Hays, Henry, Hinkle, Houtchens, Hopkins, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, Neel, Nichols, Nolan, Osborn, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Stidham, Summe, Treas, Tucker, Wathen, G. T. White, J. E. White, Young. Nays 0. **SB 219** was passed and the title agreed to.

SB 238 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 59—Alexander, Bates, Baumgardner, Brizendine, Castle, Childress, Cook, Crecelius, Dean, Dexter, Dobyns, Edmunds, Ellis, Farmer, Fern, Fields, Ford, Garner, Hahn, Haley, Hall, Hampton, Henry, Hill, Hinkle, Houtchens, Isler Lankford, Lovins, Lyon, Ben Martin, Miles, Miller, Moloney, Fred Morgan, Neel, Nichols, Nolan, Osborn, Parrish, Peniston, Qualls, Quinn, Ray, Rayburn, Reynolds, Robinson, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Stidham, Summe, Tanner, Tucker, Wathen, G. T. White, Wood, Young. Nays 0. **SB 238** was passed and the title agreed to.

HR 131, by Representatives Robinson, Stidham, B. Martin, Stacy, Neel:

HR 131, A RESOLUTION commending the Speaker of the House.

WHEREAS, Representative Harry King Lowman has demonstrated commendable diplomacy, tact, and leadership in his difficult position as Speaker of the House of Representatives; and

WHEREAS, Representative Harry King Lowman has treated members of both parties with equal fairness and consideration in the manner of a true statesman; and

WHEREAS, Representative Lowman's leadership has enabled the House to complete its deliberations in an orderly manner;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That the thanks, congratulations and commendations of the House of Representatives be, and they hereby are, extended to Representative Harry King Lowman for his leadership in the House of Representatives in the position of Speaker of the House.

Representative Robinson moved to adopt **HR 131.** Agreed.

The Speaker vacated the Chair, and Representative Ray presided.

SB 239 taken from Orders of the Day. Representative Lowman moved that consideration of said bill be deferred and that it retain its place in Orders of the Day. Agreed.

SB 245 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Lowman moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 68—Alexander, Bates, Baumgardner, Brizendine, Buckman, Castle, Caudill, Chumbler, Clark, Cole, Colley, Cook, Cottengim, Cowherd, Crecelius, Dean, Dexter, Dobyns, Edmunds, Ellis, Faulkner, Fern, Fields, Hahn, Haley, Hall, Hampton, Hardin, Hill, Hinkle, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lowman, Lyon, Ben Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, Nichols, Nolan, Osborn, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Rayburn, Reynolds, Robinson, J. D. Smith, Virgil Smith, Steiger, Stidham, Summe, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 0. **SB 245** was passed and the title agreed to.

SB 246 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Lowman moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 79—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Cottengim, Cowherd, Crecelius, Dean, Dexter, Dobyns, Edmunds, Ellis, Farmer, Faulkner, Fern, Fields, Ford, Garner, Hahn, Haley, Hall, Hampton, Harris, Hays, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moorman, Fred Morgan, Murphy, Nichols, Nolan, Osborn, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Rayburn, Reynolds, Robinson, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 0. **SB 246** was passed and the title agreed to.

SB 247 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Lowman moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 71—Alexander, Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Earl Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Cottengim, Crecelius, Dean, Dexter, Dobyns, Ellis, Faulkner, Fern, Fields, Ford, Garner, Hahn, Haley, Hall, Hampton, Hardin, Harris, Henry, Hill, Hinkle, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Moloney, Moorman, Fred Morgan, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Rayburn, Reynolds, Robinson, J. D. Smith, Stacy, Steiger, Summe, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 1—Houtchens. **SB 247** was passed and the title agreed to.

The Speaker resumed the Chair.

SB 263 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 69—Alexander, Barton, Bates, Baumgardner, Buckman, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Paul Cornett, Cottengim, Cowherd, Crecelius, Dean, Dexter, Dobyns, Edmunds, Ellis, Farmer, Faulkner, Fern, Fields, Ford, Garner, Hahn, Haley, Hall, Hampton, Harris, Hays, Henry, Hill, Hinkle, Hislope, Irick, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Moloney, Nichols, Nolan, Osborn, Ostertag, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Reynolds, Robinson, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Treas, Tucker, G. T. White, J. E. White, Wood, Young. Nays 0. **SB 263** was passed and the title agreed to.

SB 257 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Cottengim moved to amend **SB 257** as follows: "on page 13 after, section 2 after, line 17 by inserting a new section to read as follows: "Section 3. A new section of Chapter 99 of the Kentucky Revised Statutes is created to read as follows: The council of any community, whose agency has received certification of availability of federal funds pursuant to Section 101 (c) of the National Housing Act of 1949, as amended may authorize the agency to acquire, by eminent domain, purchase, gift, grant, devise or otherwise, any real property in the development area or urban renewal area without regard to the conditions, restrictions, or provisions set forth in KRS 99.370, or any other section of KRS Chapter 99; if it finds by resolution that it is desirable and feasible to obtain federal financial assistance authorized by Section 403 of the Housing Act of 1959 in acquiring such real property, and to sell, grant and convey any such real property if by resolution the agency consents to the disposal thereof," Agreed.

On the roll call, the vote was yeas 63—Alexander, Bates, Baumgardner, Brizendine, C. C. Carter, Earl Carter, Castle, Caudill, Childress, Clark, Cole, Cook, Cottengim, Crecelius, Dean, Dexter, Dobyns, Edmunds, Ellis, Farmer, Fields, Griffin, Hahn, Haley, Hall, Hampton, Harris, Hays, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, Miles, Miller, Neel, Nichols, Nolan, Ostertag, Osting, Peniston, Quinn, Rausch, Ray, Reynolds, Robinson, Virgil Smith, Stacy, Steiger, Stidham, Treas, Tucker, Wathen, J. E. White, Wood, Young. Nays 0. **SB 257** was passed and the title agreed to.

SB 239 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 72—Barton, Bates, Baumgardner, Brizendine, Castle, Caudill, Clark, Cole, Cook, Paul Cornett, Cottengim, Cowherd, Crecelius, Dean, Dexter, Dobyns, Edmunds, Ellis, Farmer, Faulkner, Fern, Fields, Ford, Garner, Griffin, Hahn, Haley, Hall, Hampton, Harris, Hays, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Fred Morgan, Neel, Nichols, Nolan, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Reynolds, Robinson, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Treas, Tucker, G. T. White, J. E. White, Wood, Young. Nays 1—Wathen. **SB 239** was passed and the title agreed to.

SB 72 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 72—Alexander, Barton, Bates, Baumgardner, Brizendine, C. C. Carter, Earl Carter, Castle, Caudill, Clark, Colley, Cook, Cottengim, Cowherd, Crecelius, Dean, Dexter, Dobyns, Edmunds, Ellis, Farmer, Fern, Fields, Ford, Garner, Hahn, Hall, Hampton, Harris, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Ben Martin, C. H. Martin, Miles, Moloney, Moorman, Fred Morgan, Murphy, Neel, Nichols, Nolan, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Reynolds, Robinson, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood. Nays 0. **SB 72** was passed and the title agreed to.

SB 73 taken from Orders of the Day, on recommendation of Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 65—Alexander, Barton, Bates, Baumgardner, Brizendine, C. C. Carter, Castle, Caudill, Clark, Colley, Cook, Paul Cornett, Cottengim, Cowherd, Crecelius, Dean, Dobyns, Edmunds, Ellis, Farmer, Fern, Fields, Ford, Garner, Hahn, Hall, Harris, Hays, Henry, Hinkle, Hislope, Houtchens, Hopkins, Irick, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Fred Morgan, Murphy, Neel, Nichols, Nolan, Ostertag, Osting, Parrish, Peniston, Quinn, Rausch, Reynolds, Robinson, A. C. Smith, Virgil Smith, Stacy, Steiger, Summe, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood. Nays 0. **SB 73** was passed and the title agreed to.

SB 74 taken from Orders of the Day, on recommendation of the the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 64—Alexander, Bates, Baumgardner, Castle, Caudill, Clark, Colley, Cook, Cottengim, Cowherd, Crecelius, Dean, Dobyns, Edmunds, Ellis, Faulkner, Fern, Fields, Ford, Hahn, Hall, Harris, Hays, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, Murphy, Neel, Nichols, Nolan, Ostertag, Osting, Peniston, Quinn, Rausch, Ray, Reynolds, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Treas, Wathen, G. T. White, J. E. White, Wood, Young. Nays 0. **SB 74** was passed and the title agreed to.

SB 75 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 65—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Earl Carter, Castle, Caudill, Clark, Colley, Cook, Cottengim, Cowherd, Crecelius, Dean, Dobyns, Edmunds, Ellis, Fern, Fields, Ford, Hahn, Hall, Harris, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Murphy, Neel, Nichols, Nolan, Ostertag, Peniston, Quinn, Rausch, Ray, Reynolds, Robinson, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood. Nays 0. **SB 75** was passed and the title agreed to.

SB 40 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 62—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Castle, Caudill, Chumbler, Clark, Cottengim, Cowherd, Crecelius, Dean, Dobyns, Edmunds, Ellis, Fern, Fields, Garner, Hahn, Haley, Hall, Harris, Hill, Hinkle, Hislope, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Miles, Miller, Moloney, Fred Morgan, Murphy, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Peniston, Quinn, Rausch, Ray, Reynolds, Robinson, A. C. Smith, Virgil Smith, Steiger, Stidham, Summe, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood. Nays 0. **SB 40** was passed and the title agreed to.

SB 96 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Lowman moved to amend **SB 96** as follows: "Amend printed copy of **SB 96** on page 2, section 1, line 19 by inserting "not to exceed thirty dollars per annum after the word "fees". Agreed. Representative Ray moved that the vote on the amendment be reconsidered. Agreed. Representative Ray moved to amend **SB 96** as follows: "Amend printed copy of **SB 96** on page 2, section 3 by deleting section (3) and substituting therefor the following: "(3) No rule adopted and promulgated under this section shall prevent a person, not holding himself out as a practicing attorney, from writing a deed, mortgage, will, or any other instrument to which he is a party." Agreed.

On the roll call, the vote was yeas 61—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, Earl Carter, Castle, Caudill, Childress, Clark, Cook, Cottengim, Cowherd, Crecelius, Dean, Dobyns, Edmunds, Ellis, Fern, Fields, Hahn, Haley, Hays, Henry, Hill, Hinkle, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Murphy, Neel, Nichols, Nolan, Ostertag, Osting, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Reynolds, Robinson, A. C. Smith, Virgil Smith, Stacy, Steiger, Stidham, Treas, Wathen, G. T. White, J. E. White, Wood. Nays 0. **SB 96** was passed and the title agreed to.

SB 86 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Lowman moved to amend **SB 86** as follows: Amend printed copy of Senate Bill 86 on page 1, subsection 3, line 11 by inserting after the word "except" the following: "a water district created under Chapter 74 of the Kentucky Revised Statutes which does not operate a gas system, or" Agreed.

On the roll call, the vote was yeas 42—Barton, Baumgardner, Earl Carter, Castle, Caudill, Childress, Clark, Colley, Cook, Cottengim, Crecelius, Davis, Dobyns, Ellis, Fern, Ford, Hahn, Hill, Hinkle, Hislope, Irick, Isler, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Murphy, Nichols, Nolan, Ostertag, Osting, Parrish, Qualls, Ray, Reynolds, Robinson, Stacy, Steiger, Treas, J. E. White, Young. Nays 2—Haley, Peniston. **SB 86** was passed and the title agreed to.

SB 36 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 43—Bates, Baumgardner, Buckman, Earl Carter, Castle, Childress, Cook, Cottengim, Crecelius, Davis, Dobyns, Ellis, Farmer, Fern, Fields, Ford, Garner, Hall, Hill, Hinkle, Hopkins, Irick, Isler, Ben Martin, Miles, Miller, Murphy, Nichols, Nolan, Osborn, Ostertag, Osting, Parrish, Quinn, Rausch, Ray, Reynolds, Robinson, J. D. Smith, Stacy, Steiger, Summe, J. E. White. Nays 8—Alexander, Dean, Haley, Hislope, Peniston, Stidham, Wathen, Wood. **SB 36** was passed and the title agreed to.

Representative Ray moved to recess for fifteen minutes for Rules Committee Meeting. Agreed.

At the appointed hour the Speaker resumed the Chair.

SB 150 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed.

Representative Ray moved to amend **SB 150** as follows: "Amend printed copy of **SB 150** in the House of Representatives on pages 4 and 5, Art. I, sections 6 and 7, by striking all of sections 6 and 7 of Art. I on pages 4 and 5; Also amend the printed copy of said bill on pages 10 and 11, Art. III, section 8, subsection (4), lines 31 through 38, by striking all of subsection (4) of said section 8 of Art. III, consisting of lines 31 through 38 on pages 10 and 11." Agreed.

On the roll call, the vote was yeas 49—Alexander, Barton, Baumgardner, Buckman, Caudill, Childress, Clark, Cottengim, Crecelius, Davis, Dean, Dexter, Dobyns, Edmunds, Farmer, Fields, Hahn, Haley, Hardin, Henry, Hill, Hinkle, Houtchens, Hopkins, Isler, Lovins, Lyon, C. H. Martin, Miles, Miller, Moloney, Murphy, Nichols, Nolan, Osting, Parrish, Peniston, Quinn, Rausch, Ray, Reynolds, Robinson, J. D. Smith, Steiger, Stidham, Tanner, Wathen, J. E. White, Young. Nays 0. **SB 150** was passed and the title agreed to.

Senate Message

Announcing passage of **HB 505, HB 437, HB 201, HB 163, HB 444, HB 108, HB 521, HB 519, HB 517, HB 366, HB 434, HB 523, HR 99, SR 67, SR 68, HB 109** and **HB 401** with Senate amendment.

Representative Ray moved to adjourn until 12:00 Noon, March 18. Agreed.

SIXTIETH LEGISLATIVE DAY

FRIDAY, MARCH 18, 1960

The House was called to order by the Speaker.

Invocation by Reverend John C. Chenault of the First Christian Church of Frankfort.

The roll was called. All present except Representatives Bates, Caudill, Fitzpatrick, Garner and Luther F. Morgan, who were granted leaves of absence by motion by Representative Lyon.

Reading of the Journal for March 17, dispensed with and approved on motion of Representative Isler.

Report on Enrolled Bills

Committee on Enrollment reported **HB 168, HB 250, HB 254, HB 255, HB 276, HB 285, HB 358, HB 422, HB 429, HB 431, HB 445, HB 457, HB 466, HB 469, HB 470, HB 471, HB 485, HB 492, HB 493, HB 494, HB 108, HB 163, HB 201, HB 267, HB 366, HB 437, HB 444, HB 517, HB 519, HB 434, HB 521, HB 523, HB 505** and **SR 62** had been examined and found correctly enrolled. Read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 168, HB 250, HB 254, HB 255, HB 276, HB 285, HB 358, HB 422, HB 429, HB 431, HB 445, HB 457, HB 466, HB 469, HB 470, HB 471, HB 485, HB 492, HB 493, HB 494, HB 108, HB 163, HB 201, HB 267, HB 366, HB 437, HB 444, HB 517, HB 519, HB 434, HB 521, HB 523, HB 505 delivered, signed by President of the Senate. Ordered delivered to the Governor.

SB 36, SB 40, SB 72, SB 73, SB 74, SB 75, SB 84, SB 99, SB 158, SB 159, SB 163, SB 165, SB 168, SB 180, SB 195, SB 219, SB 223, SB 224, SB 225, SB 238, SB 239, SB 245, SB 247, SB 251, SB 252, SB 253, SB 263, SB 266, and **SR 62,** read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Governor.

Orders of the Day

SB 171 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Moloney moved to amend **SB 171** as follows: "Amend printed copy of **SB 171** on page 1, section 2, lines 1 through 12 by deleting all of Section 2, lines 1 through 12." Agreed.

Representative Lowman moved to amend **SB 171** as follows: "Amend printed copy of **SB 171** on page 2, section 3, lines 1 through 8 by deleting all of Section 3." Agreed.

On the roll call, the vote was yeas 86—Alexander, Barton, Baumgardner, Brizendine, Buckman, C. C. Carter, Earl Carter, Castle, Caudill, Childress, Chumbler, Clark, Cole, Colley, Cook, Paul Cornett, Cottengim, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Faulkner, Fern, Fields, Ford, Garner, Hahn, Haley, Hall, Hampton, Hardin, Hardwick, Harris, Hays, Hill, Hinkle, Hislope, Houtchens, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, Murphy, Neel, Nichols, Osborn, Ostertag, Osting, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Roberts, Robinson, Slusher, J. D. Smith, Virgil Smith, Spurrier, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood. Nays 0.

SB 171 was passed and title agreed to.

SB 269 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Ray moved to amend **SB 269** as follows: "Amend page 2 by adding the following new section:" "Section 3. There shall be excluded from the provisions of this act those boards, commissions and authorities which are required by law, regulation or standards of the Federal Government or its agencies to keep meetings closed to preserve the confidential nature of records and actions."

On the roll call, the vote was yeas 64—Alexander, Barton, Baumgardner, Buckman, Burress, C. C. Carter, Earl Carter, Castle, Caudill, Childress, Clark, Colley, Cook, Paul Cornett, Crecelius, Dexter, Dobyns, Farmer, Faulkner, Fern, Fields, Ford, Garner, Griffin, Haley, Hall, Hampton, Hardin, Hays, Hill, Hinkle, Hislope, Hopkins, Isler, Lankford, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Nolan, Osborn, Osting, Peniston, Quinn, Rausch, Ray, Render, Reynolds, Robinson, Slusher, A. C. Smith, J. D. Smith, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White, Wood. Nays 9—Cole, Davis, Ellis, Houtchens, Irick, Fred Morgan, Rayburn, Spurrier, Wathen.

SB 269 was passed and title agreed to.

Representative Ray moved to recess for Rules Committee meeting. Agreed. At the appointed hour, the Speaker resumed the Chair.

Senate Message

Announcing passage of **HR 32**, **HR 106**, **HB 282**, **HB 247**, **HB 331**, **HB 361**, **HB 426**, **HB 456**, **HB 495**, **HB 529**, **HB 516**, **HB 497**, **HB 502**, **HB 340**, **HB 348**, **HB 446**, **HB 499** and **HR 130**, **HB 151**, **HB 450**, **HB 511** and **HB 441** with Senate amendment.

Orders of the Day

SB 197 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Ray moved the Previous Question on **SB 197.** Agreed.

On the roll call, the vote was yeas 66—Barton, Baumgardner, Earl Carter, Caudill, Childress, Chumbler, Cole, Colley, Cook, Paul Cornett, Cottengim, Cowherd, Crecelius, Dean, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Fern, Fields, Garner, Griffin, Hahn, Hall, Hampton, Hays, Houtchens, Hopkins, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miller, Murphy, Neel, Nolan, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Reynolds, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Treas, Tucker, G. T. White, J. E. White, Wood, Young. Nays 20—Alexander, Buckman, Burress, Clark, Davis, Denham, Haley, Hardin, Harris, Henry, Hinkle, Hislope, Moloney, Fred Morgan, Nichols, Osborn, Spurrier, Summe, Tanner, Wathen.

SB 197 was passed and the title agreed to.

Report on Enrolled Bills

Committee on Enrollment reported that **SR 41, SB 86, SB 96, SB 150, SB 153, SB 173, SB 182, SB 246** and **SB 257** had been examined and found correctly enrolled. Read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Governor.

Orders of the Day

Representative Ray moved that the House concur in the following Senate amendment to **HB 401:**

"Amend printed copy of **HB 401** on page 6, section 5 (2), line 26 by deleting the period after the word "Commonwealth" and substituting a comma and adding the following phrase: 'except by authority, and with approval, of the Commission, as part of the permit and reclamation plan prescribed in the next preceding subsection.' "

The House refused to concur in the amendment.

Representative Ray moved that the Senate be requested to recede from the amendment to **HB 401.**

SB 274 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 69—Alexander, Barton, Bates, Baumgardner, Buckman, Earl Carter, Castle, Caudill, Childress, Chumbler, Clark, Paul Cornett, Cottengim, Dexter, Dobyns, Dowell, Edmunds, Ellis, Farmer, Faulkner, Fields, Ford, Garner, Griffin, Haley, Hall, Hardin, Henry, Hinkle, Hislope, Hopkins, Irick, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Murphy, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Roberts, Robinson, Slusher, J. D. Smith, Virgil Smith, Steiger, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White, Wood. Nays 0.

SB 274 was passed and title agreed to.

SB 284 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Lowman moved to amend **SB 284** as follows: on page 5, by adding a new Section 6 to read as follows: "Section 6. A new section of the Kentucky Revised Statutes is created to read as follows: The departments and agencies named in KRS 152.120 may in their discretion provide by regulation for the licensing, insofar as relates to their particular fields of regulatory activity, of the possession or use of any source of ionizing radiation and the handling and disposal of radioactive wastes. Such regulations may specify the form of application for license, the qualifications therefor, grounds for revocation of same by the issuing agency, and such other matters as may be needed to make licensing effective as a means of control. Promulgation of such regulations shall be in accordance with the provisions of KRS 152.130."
on page 5, section 6, line 1 by changing the number "6" to "7". Agreed.

On the roll call, the vote was yeas 79—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, Earl Carter, Castle, Caudill, Childress, Chumbler, Clark, Paul Cornett, Cottengim, Cowherd, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Edmunds, Ellis, Farmer, Faulkner, Fern, Fields, Garner, Griffin, Hahn, Haley, Hall, Hampton, Hardin, Hardwick, Henry, Hill, Hinkle, Hislope, Hopkins, Irick, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Steiger, Stidham, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood. Nays 0.

SB 284 was passed and title agreed to.

SB 255 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 68—Alexander, Barton, Baumgardner, Brizendine, Buckman, C. C. Carter, Earl Carter, Castle, Caudill, Childress, Cottengim, Cowherd, Crecelius, Dean, Dexter, Dobyns, Edmunds, Ellis, Fern, Fields, Ford, Garner, Hahn, Haley, Hall, Hampton, Hardin, Hardwick, Henry, Hill, Hinkle, Hislope, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, Miles, Miller, Moloney, Moorman, Nichols, Nolan, Osborn, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Roberts, Robinson, Slusher, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, J. E. White, Wood. Nays 0.

SB 255 was passed and title agreed to.

The Speaker vacated the Chair, and Representative Fred Morgan presided.

SB 214 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 64—Alexander, Barton, Baumgardner, Brizendine, Buckman, C. C. Carter, Earl Carter, Castle, Caudill, Childress, Chumbler, Clark, Cottengim, Cowherd, Crecelius, Dean, Dexter, Dobyns, Edmunds, Ellis, Fern, Fields, Ford, Garner, Griffin, Hahn, Haley, Hall, Hardwick, Hill, Hinkle, Houtchens, Hopkins, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Nichols, Nolan, Osborn, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Roberts, Slusher, Virgil Smith, Stacy, Steiger, Stidham, Summe, Treas, Tucker, Wood. Nays 1—Denham. **SB 214** was passed and title agreed to.

SB 113 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Wathen moved to amend **SB 113** as follows: "Amend printed copy of **SB 113** on page 3, section 5, line 3 by inserting after the word "conveyances" the words 'except common carriers.' " Agreed.

On the roll call, the vote was yeas 56—Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Childress, Chumbler, Cook, Cottengim, Crecelius, Dean, Dexter, Dobyns, Edmunds, Ellis, Fern, Fields, Garner, Hahn, Haley, Hall, Hampton, Henry, Hinkle, Hopkins, Irick, Isler, Lankford, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moorman, Nichols, Nolan, Osborn, Osting, Parrish, Peniston, Quinn, Rausch, Ray, Rayburn, Roberts, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Tanner, Treas, Tucker, Wathen, Wood. Nays 5—Castle, Cornett, Hislope, Robinson, and J. E. White.

SB 113 was passed and title agreed to.

SB 283 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 52—Bates, Baumgardner, Buckman, Earl Carter, Childress, Chumbler, Clark, Cook, Cottengim, Crecelius, Denham, Dexter, Dobyns, Edmunds, Ellis, Fern, Fields, Ford, Hahn, Haley, Henry, Hinkle, Hopkins, Irick, Isler, Lankford, Lyon, Ben Martin, C. H. Martin, Miles, Moorman, Nichols, Nolan, Osborn, Ostertag, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Roberts, Slusher, J. D. Smith, Steiger, Stidham, Summe, Tanner, Tucker, J. E. White, Wood. Nays 4—C. C. Carter, Castle, Hislope, and Robinson. **SB 283** was passed and title agreed to.

SB 88 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 67—Alexander, Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Earl Carter, Castle, Caudill, Childress, Chumbler, Paul Cornett, Cottengim, Crecelius, Dean, Dexter, Dobyns, Edmunds, Ellis, Fern, Fields, Fitzpatrick, Garner, Hahn, Haley, Hall, Hampton, Hardin, Hardwick, Henry, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lowman, Lyon, C. H. Martin, Miles, Miller, Moorman, Nichols, Nolan, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Roberts, Robinson, J. D. Smith, Virgil Smith, Stacy, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, J. E. White, Wood, Young. Nays 2—Denham, Burress. **SB 88** was passed and title agreed to.

SB 235 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Ray moved to amend **SB 235** as follows: "On pages 5 and 6, Section 5, lines 1 to 23 by deleting Section 5 in its entirety. On page 6, Section 7 (4), lines 13 to 16 by deleting said subsection in its entirety." Agreed.

Representative Ray moved to amend **SB 235** as follows: "Amend printed copy of Senate Bill 235 on page 6, Section 7 (4), lines 13 to 16 by deleting said subsection in its entirety, and renumbering sections and subsections of the bill accordingly." Agreed.

Representative Ray moved the Previous Question on **SB 235.** Agreed.

On the roll call, the vote was yeas 48—Alexander, Barton, Bates, Baumgardner, Buckman, Caudill, Childress, Crecelius, Dean, Dobyns, Edmunds, Farmer, Fern, Fields, Ford, Haley, Hardin, Henry, Hinkle, Hopkins, Irick, Lyon, C. H. Martin, Miller, Moloney, Moorman, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Reynolds, Robinson, Slusher, J. D. Smith, Steiger, Stidham, Tanner, Tucker, Wathen, Wood. Nays 39—Brizendine, Burress, C. C. Carter, Earl Carter, Castle, Chumbler, Clark, Colley, Cook, Cornett, Cowherd, Denham, Dexter, Ellis, Faulkner, Garner, Griffin, Hahn, Hall, Hampton, Hardwick, Hays, Hill, Hislope, Houtchens, Lankford, Lovins, Ben Martin, Miles, Fred Morgan, Parrish, Roberts, Albert C. Smith, Virgil Smith, Spurrier, Stacy, Glen T. White, John E. White, Young. **SB 235** was passed and the title agreed to.

Representative Haley moved that the vote by which said bill was passed be reconsidered and said motion be laid on the table. Agreed.

The Speaker resumed the Chair.

SB 256 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 56—Alexander, Bates, Baumgardner, Brizendine, Buckman, Earl Carter, Castle, Caudill, Childress, Clark, Colley, Cook, Cottengim, Crecelius, Dean, Denham, Dexter, Dobyns, Edmunds, Ellis, Faulkner, Fern, Fields, Garner, Haley, Henry, Hill, Hinkle, Hopkins, Irick, Lankford, Lyon, C. H. Martin, Moloney, Fred Morgan, Neel, Nichols, Nolan, Osborn, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Rayburn, Reynolds, Roberts, J. D. Smith, Steiger, Tanner, Tucker, Wathen, J. E. White, Wood, Young. Nays 2—Griffin and Ostertag. **SB 256** was passed and title agreed to.

SB 140 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Cook moved to amend **SB 140** as follows: "Amend printed copy of **SB 140** on page 2, section 2, lines 1, 2, 3 and 4, amend copy **SB 140** on page 2, Section 2, lines 1, 2, 3 and 4, by deleting same in their entirety." Agreed.

On the roll call, the vote was yeas 65—Alexander, Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Earl Carter, Castle, Caudill, Childress, Clark, Colley, Cook, Cottengim, Crecelius, Dean, Dexter, Dobyns, Edmunds, Ellis, Farmer, Faulkner, Fern, Fields, Ford, Griffin, Haley, Hall, Hardin, Henry, Hill, Hinkle, Hopkins, Irick, Lankford, Lyon, Ben Martin, C. H. Martin, Miller, Moloney, Fred Morgan, Nichols, Nolan, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Reynolds, Roberts, Robinson, J. D. Smith, Steiger, Stidham, Tanner, Treas, Tucker, G. T. White, J. E. White, Wood, Young. Nays 0. **SB 140** was passed and title agreed to.

The Speaker vacated the Chair and Representative Rayburn presided.

SB 280 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Lowman moved to amend **SB 280** as follows: "Amend printed copy of **SB 280** on page 1, Section 1 by adding subsection (3) to Section 1 to read as follows: (3) "County" means a county not containing a city of the first class." Agreed.

On the roll call, the vote was yeas 65—Alexander, Bates, Baumgardner, Brizendine, Buckman, Earl Carter, Castle, Caudill, Childress, Clark, Colley, Cottengim, Crecelius, Dean, Denham, Dexter, Dobyns, Edmunds, Ellis, Faulkner, Fields, Ford, Garner, Haley, Hall, Hardin, Hays, Henry, Hill, Hinkle, Houtchens, Hopkins, Irick, Lankford, Lyon, Ben Martin, Miller, Moloney, Moorman, Fred Morgan, Murphy, Neel, Nichols, Nolan, Osborn, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Reynolds, Robinson, A. C. Smith, J. D. Smith, Steiger, Stidham, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, Wood. Nays 0. **SB 280** was passed and title agreed to.

Introduction of Resolution

Representative Robinson moved to suspend Rules to introduce Resolution. Agreed.

HR 138, by Representatives Robinson and Wathen: A Resolution requesting and petitioning the Honorable Harry King Lowman to offer himself as a candidate for the office of United States Senator from the Commonwealth of Kentucky. Representative Moloney moved to defer action on **HR 138**. Agreed.

Representative Cottengim moved to request Senate to act on **HR 80** and asked the Speaker to appoint the following committee: Representatives Colley, Reynolds and Cornett.

Orders of the Day

SB 104 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 68—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, Burress, C. C. Carter, Earl

Carter, Castle, Caudill, Childress, Clark, Colley, Cottengim, Crecelius, Dean, Denham, Dexter, Dobyns, Edmunds, Ellis, Faulkner, Fern, Fields, Ford, Garner, Haley, Hall, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Lankford, Ben Martin, C. H. Martin, Miller, Moloney, Moorman, Fred Morgan, Nichols, Nolan, Osborn, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Reynolds, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood. Nays 1—Robinson. **SB 104** was passed and title agreed to.

SB 208 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of the members elected.

On the rol call, the vote was yeas 56—Alexander, Barton, Bates, Baumgardner, Brizendine, Castle, Caudill, Childress, Clark, Colley, Cottengim, Crecelius, Dean, Denham, Dobyns, Edmunds, Ellis, Farmer, Faulkner, Fern, Fields, Garner, Haley, Henry, Hill, Hinkle, Houtchens, Hopkins, Irick, Ben Martin, C. H. Martin, Miller, Moloney, Moorman, Fred Morgan, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Robinson, J. D. Smith, Steiger, Summe, Tanner, Treas, Tucker, G. T. White, Wood. Nays 0. **SB 208** was passed and title agreed to.

SB 282 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 61—Alexander, Barton, Bates, Baumgardner, Brizendine, Earl Carter, Castle, Caudill, Childress, Clark, Colley, Cook, Cottengim, Crecelius, Dobyns, Edmunds, Ellis, Farmer, Faulkner, Fern, Fields, Haley, Hall, Harris, Henry, Hinkle, Houtchens, Hopkins, Lankford, Lovins, C. H. Martin, Miles, Miller, Moloney, Moorman, Fred Morgan, Neel, Nichols, Osborn, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Robinson, A. C. Smith, J. D. Smith, Virgil Smith, Steiger, Stidham, Summe, Tanner, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood. Nays 1—C. C. Carter. **SB 282** was passed and the title agreed to.

SB 203 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 49—Bates, Baumgardner, Buckman, Earl Carter, Castle, Childress, Cook, Cottengim, Crecelius, Denham, Dobyns, Edmunds, Ellis, Farmer, Fern, Fields, Hahn, Haley, Hall, Hinkle, Hopkins, Irick, Isler, Lovins, Lyon, Ben Martin, Miles, Miller, Moloney, Moorman, Neel, Nichols, Nolan, Ostertag, Parrish, Peniston, Quinn, Rausch, Ray, Robinson, Slusher, A. C. Smith, Steiger, Stidham, Summe, Tanner, Tucker, Wathen, G. T. White. Nays 11—Alexander, Brizendine, Caudill, Clark, Faulkner, Hislope, Houtchens, C. H. Martin, Qualls, J. D. Smith, Wood. **SB 203** was passed and title agreed to.

SB 237 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 55—Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Earl Carter, Castle, Childress, Clark, Cook, Cottengim, Crecelius, Denham, Dexter, Dobyns, Edmunds, Ellis, Farmer, Faulkner, Fern, Fields, Garner, Hahn, Hall, Hardin, Henry, Hill, Hinkle, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, Miles, Neel, Nichols, Nolan, Osborn, Parrish, Quinn, Rausch, Ray, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Steiger, Stidham, Summe, Tucker, Wathen, G. T. White. Nays 7—Haley, Houtchens, C. H. Martin, Moorman, Peniston, Qualls, and Wood. **SB 237** was passed and title agreed to.

Senate Message

Announcing passage of **HR 79, HB 389** and **HB 401.**

Orders of the Day

The Senate receded from the amendment to **HB 401.**

On the roll call, the vote was yeas 56—Alexander, Bates, Baumgardner, Brizendine, Buckman, Castle, Caudill, Childress, Cottengim, Crecelius, Dean, Dobyns, Edmunds, Ellis, Farmer, Fern, Fields, Griffin, Hahn, Haley, Hardin, Henry, Hill, Hinkle, Hopkins, Irick, Isler, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Nolan, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Robinson, Slusher, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Tanner, Treas, Tucker, G. T. White, J. E. White. Nays 5—Cowherd, Hall, Houtchens, Lankford, Young. **HB 401** was passed and title agreed to.

SB 218 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 59—Alexander, Bates, Baumgardner, Brizendine, Buckman, Castle, Caudill, Childress, Cook, Cowherd, Crecelius, Dean, Denham, Dobyns, Edmunds, Ellis, Farmer, Fern, Garner, Hahn, Haley, Hall, Hardin, Henry, Hill, Hinkle, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Ben Martin, C. H. Martin, Miller, Moloney, Neel, Nichols, Nolan, Ostertag, Parrish, Peniston, Qualls, Quinn, Ray, Robinson, Slusher, A. C. Smith J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Tanner, Treas, J. E. White, Wood, Young. Nays 0. **SB 218** was passed and title agreed to.

SB 271 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected. Representative Lowman moved to amend **SB 271** as follows: "Amend printed copy of **SB 271** on page 2, Section 1, line 36, by inserting immediately after the words "Board of Trustees" the following: "or its administrative staff." Agreed.

On the roll call, the vote was yeas 68—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, C. C. Carter, Castle, Caudill, Childress, Clark, Cottengim, Cowherd, Crecelius, Dean, Denham, Dobyns, Edmunds, Ellis, Farmer, Fern, Garner, Griffin, Hahn, Haley, Hall, Hays, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Neel, Nichols, Nolan, Osborn, Ostertag, Osting, Parrish, Peniston, Quinn, Rausch, Ray, Robinson, Slusher, A. C. Smith, Virgil Smith, Stacy, Steiger, Stidham, Summe, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 0. **SB 271** was passed and title agreed to.

SB 240 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 49—Barton, Bates, Buckman, Castle, Childress, Clark, Cook, Cottengim, Crecelius, Dobyns, Edmunds, Ellis, Farmer, Fern, Garner, Haley, Hall, Hardin, Henry, Hinkle, Houtchens, Hopkins, Irick, Lovins, Ben Martin, C. H. Martin, Miles, Moorman, Nichols, Nolan, Osborn, Ostertag, Peniston, Quinn, Rausch, Ray, Roberts, Robinson, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Stidham, Summe, Tanner, Treas, Tucker, G. T. White, Wood. Nays 2—Caudill and Hislope. **SB 240** was passed and title agreed to.

SB 241 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 50—Alexander, Barton, Bates, Buckman, Caudill, Childress, Clark, Cook, Cottengim, Dean, Denham, Dexter, Dobyns, Edmunds, Ellis, Fern, Hahn, Haley, Hall, Henry, Hill, Hinkle, Houtchens, Hopkins, Irick, Lankford, Lovins, Ben Martin, Miles, Moloney, Moorman, Neel, Nichols, Nolan, Osborn, Ostertag, Peniston, Quinn, Rausch, Ray, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Stidham, Summe, Tucker, G. T. White, Wood. Nays 7—Cornett, Garner, Hardin, Hislope, Spurrier, Tanner, J. E. White. **SB 241** was passed and title agreed to.

Representative Colley reported Senate Committee refused to report out **HR 80** and he would now confer with the Governor.

SB 68 taken from Orders of the Day, on recommendation of the Rules Committee and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

Representative Hinkle moved to amend **SB 68** as follows: "On page 2, Section 1, lines 22 through 25 by inserting a period after the word "family" in line 22 and deleting the words that follow: "And two additional days leave of absence in any school year without reduction in pay when it becomes necessary for a teacher to be absent from his classroom in order to transact personal business." Agreed.

On the roll call, the vote was yeas 61—Alexander, Barton, Bates, C. C. Carter, Castle, Caudill, Childress, Clark, Colley, Cook, Cottengim, Crecelius, Davis, Dean, Denham, Dexter, Dobyns, Edmunds, Ellis, Farmer, Fern, Garner, Hahn, Haley, Hall, Hays, Henry, Hill, Hinkle, Hislope, Houtchens, Hopkins, Irick, Lankford, Lovins, Ben Martin, C. H. Martin, Miles, Moorman, Nichols, Nolan, Osborn, Parrish, Peniston, Quinn, Rausch, Ray, Roberts, Robinson, Slusher, A. C. Smith, J. D. Smith, Virgil Smith, Spurrier, Stidham, Summe, Treas, Tucker, G. T. White, J. E. White, Wood. Nays 0. **SB 68** was passed and title agreed to.

SB 185 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 54—Alexander, Bates, Buckman, C. C. Carter, Caudill, Childress, Clark, Cook, Cowherd, Crecelius, Davis, Dexter, Dobyns, Edmunds, Ellis, Farmer, Fern, Garner, Hahn, Haley, Hall, Hays, Henry, Hill, Hinkle, Hopkins, Irick, Lovins, Ben Martin, C. H. Martin, Miles, Moloney, Moorman, Nolan, Osborn, Parrish, Peniston, Quinn, Rausch, Ray, Rayburn, Roberts, Robinson, A. C. Smith, J. D. Smith, Virgil Smith, Summe, Treas, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 0. **SB 185** was passed and title agreed to.

Representative Ray moved to concur in the following Senate amendment to **HB 109:**

"Amend printed copy of **HB #109** on page 2, line 30 by adding the following: Section 2. Section 278.130 of the Kentucky Revised Statutes is amended to read as follows:

(1) For the purpose of maintaining the Public Service Commission, including the payment of salaries and all other expenses, and the cost of regulation of the utilities subject to its jurisdiction, the Commission shall each year assess the necessary amount upon all utilities except sanitation districts established pursuant to KRS chapter 220 in the proportion to their gross earnings or receipts derived from intrastate business in Kentucky for the preceding calendar year, and shall notify each utility on or before May 31 of the amount assessed against it. The total amount so assessed shall not in any year exceed $400,000 and the sum paid by each utility shall not be less than $5 in any one year. (2) The assessments provided for in this section shall be in lieu of all other fees or assessments levied by any city or other political subdivision for the control or regulation of utilities." Agreed.

On the roll call, the vote was yeas 51—Bates, Baumgardner, Brizendine, Castle, Caudill, Cottengim, Crecelius, Dean, Dexter, Dobyns, Edmunds, Ellis, Fern, Ford, Griffin, Hahn, Hall, Hays, Henry, Hill, Hislope, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Moorman, Murphy, Nichols, Nolan, Ostertag, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Render, Reynolds, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Treas, Tucker, Wood, Young. Nays 1—Hinkle. **HB 109** was passed and title agreed to.

SB 202 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 54—Alexander, Bates, Baumgardner, Buckman, Castle, Caudill, Childress, Colley, Cottengim, Crecelius, Dean, Denham, Dexter, Dobyns, Ellis, Farmer, Fern, Ford, Garner, Hahn, Haley, Hall, Henry, Hinkle, Hopkins, Irick, Isler, Lyon, Ben Martin, Miles, Miller, Moloney, Moorman, Murphy, Neel, Nichols, Nolan, Ostertag, Osting, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, A. C. Smith, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Tucker, J. E. White, Wood. Nays 0. **SB 202** was passed and title agreed to.

SB 157 taken from Orders of the Day, on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 56—Barton, Bates, Baumgardner, Earl Carter, Castle, Colley, Cook, Crecelius, Dean, Dexter, Dobyns, Farmer, Fern, Fields, Ford, Garner, Griffin, Hahn, Hampton, Henry, Hinkle, Hislope, Houtchens, Hopkins, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Murphy, Nichols, Nolan, Osting, Parrish, Qualls, Quinn, Rausch, Rayburn, Reynolds, Robinson, Slusher, J. D. Smith, Virgil Smith, Spurrier, Steiger, Stidham, Treas, Tucker, Wathen, G. T. White, J. E. White, Young. Nays 9—Alexander, Caudill, Cottengim, Ellis, Haley, Hill, Irick, Isler, and Peniston. **SB 157** was passed and title agreed to.

SB 166 taken from Orders of the Day, on recommendation of Rules Committee, and ordered read at length for the third time. Representative Ray moved that it be read by title only. Agreed by a majority of members elected.

On the roll call, the vote was yeas 45—Bates, Baumgardner, Colley, Cook, Crecelius, Dean, Dexter, Dobyns, Ellis, Fern, Fields, Ford, Garner, Hall, Hampton, Hill, Hinkle, Houtchens, Hopkins, Irick, Isler, Lyon, Miles, Miller, Moloney, Murphy, Nichols, Nolan, Parrish, Qualls, Quinn, Rausch, Ray, Rayburn, Reynolds, Robinson, Slusher, Virgil Smith, Stacy, Steiger, Stidham, Tucker, Wathen, G. T. White, Young. Nays 17—Alexander, Brizendine, Castle, Caudill, Cottengim, Denham, Griffin, Hahn, Haley, Henry, Hislope, C. H. Martin, Moorman, Peniston, Tanner, John E. White, and Wood. **SB 166** was passed and the title agreed to.

Representative Ray moved to concur in the following Senate amendment to **HR 130**: "Amend printed copy of **HR 130** on page 1, Section 1, line 6, after the word 'Honor' add the words 'and the Medal of Honor of the Confederate State of America' " Agreed. Representative Ray moved the adoption of **HR 130.** Agreed.

Representative Ray moved to concur in the following Senate amendment to **HB 389:**

"Amend printed copy of **HB** 389 on page 5, section 6, line 8 so that line 8 will read as follows: "ten years:" and on page 5, section 6, line 21 so that line 21 will read as follows: "unless the owner has within ten years:" and on page 6, section 6, line 36 so that line 36 will read as follows: "issuance if payable on demand, unless the owner has within ten" and on page 6, section 6, line 47 so that line 47 will read as follows: "been unclaimed by the owner for more than ten years from" and "Amend printed copy of **HB 389** on page 11, section 14, lines 1 through 7 by deleting Section 14 in its entirety and renumbering Section 15 as 'Section 14' ". and "Amend printed copy of **HB 389** on page 5, section 6, by striking out all of the words in lines 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, and 29." Agreed.

On the roll call, the vote was yeas 61—Alexander, Bates, Baumgardner, Brizendine, C. C. Carter, Castle, Childress, Clark, Cole, Cook, Cottengim, Crecelius, Denham, Dexter, Edmunds, Farmer, Fern, Fields, Griffin, Hahn, Hampton, Hardin, Hays, Henry, Hinkle, Houtchens, Hopkins, Irick, Isler, Lankford, Lovins, Lyon, Ben Martin, C. H. Martin, Miller, Moloney, Moorman, Murphy, Neel, Nichols, Osborn, Ostertag, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Roberts, Robinson, Steiger, Stidham, Tanner, Tucker, Wathen, G. T. White, J. E. White, Wood, Young. Nays 0. **HB 389** was passed and title agreed to.

Representative Ray moved to concur in the following Senate amendment to **HB 450:**

"Amend printed copy of **HB 450** on page 5 and 6, section 6, line 1 and 21 by inserting (1) after Section 6 in line 1, and adding the following after line 21: '(2) In the performance of its duties, the area planning commission may cooperate with, contract with, or accept funds from federal, state, or local public or semipublic agencies, or private individuals or corporations, may expend such funds and may carry out such cooperative undertakings and contracts.' " Agreed.

On the roll call, the vote was yeas 49—Barton, Bates, Baumgardner, C. C. Carter, Childress, Clark, Cottengim, Crecelius, Denham, Ellis, Farmer, Fern, Ford, Griffin, Hahn, Hays, Hinkle, Hopkins, Irick, Isler, Lovins, Ben Martin, Miles, Miller, Moorman, Neel, Nichols, Osborn, Ostertag, Osting, Parrish, Peniston, Quinn, Rausch, Rayburn, Roberts, Robinson, J. D. Smith, Virgil Smith, Stacy, Steiger, Stidham, Tanner, Treas, Tucker, Wathen, J. E. White, Wood, Young. Nays 1—Cole. **HB 450** was passed and title agreed to.

Representative Ray moved that the House concur in the following Senate amendment to **HB 511:** "Delete "$6,000" and insert in its place "$7,200." on page 1, line 9." Agreed.

On the roll call, the vote was yeas 54—Barton, Bates, Baumgardner, Brizendine, C. C. Carter, Childress, Clark, Colley, Cottengim, Crecelius, Davis, Edmunds, Ellis, Farmer, Fern, Garner, Hahn, Hampton, Hays, Henry, Hinkle, Houtchens, Hopkins, Irick, Isler, Lovins, Lowman, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Nichols, Osborn, Ostertag, Osting, Parrish, Peniston, Quinn, Rausch, Ray, Rayburn, Roberts, Robinson, Slusher, Virgil Smith, Steiger, Stidham, Tanner, Tucker, J. E. White, Wood, Young. Nays 0. **HB 511** was passed and the title agreed to.

Representative Ray moved that the House concur in the following Senate amendment to **HB 441:** "Amend printed copy of **HB 441** on page 4, section 4, lines 1 and 2 — in line one after the word "sale" strike the comma and the word distribute and after word sale add the words "or distribute." — in line two strike the words "or transport." Agreed.

On the roll call, the vote was yeas 54—Barton, Bates, Baumgardner, Brizendine, C. C. Carter, Childress, Clark, Colley, Cottengim, Crecelius, Dean, Denham, Edmunds, Ellis, Farmer, Fern, Ford, Garner, Griffin, Hahn, Hampton, Hays, Hinkle, Houtchens, Irick, Isler, Lovins, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Nichols, Osborn, Osting, Parrish, Peniston, Qualls, Quinn, Rausch, Ray, Rayburn, Robinson, Slusher, Virgil Smith, Steiger, Stidham, Treas, Tucker,

G. T. White, J. E. White, Wood, Young. Nays 1—Spurrier. **HB 441** was passed and the title agreed to.

Representative Ray moved that the House concur in the following Senate amendment to **HB 151**: "Amend printed copy of **HB 151** on page 4, section 9, lines 1, 2, 3 by deleting the following: "This Act shall not apply to any individual working on his own premises or to regular employees working on the property of their employer.' and inserting in lieu thereof the following: "This Act shall not apply to a person working on his own premises or for himself or to regular employees working on the property of their employer." Agreed.

On the roll call, the vote was yeas 59—Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, Castle, Caudill, Childress, Clark, Cole, Colley, Cottengim, Cowherd, Crecelius, Davis, Denham, Dexter, Edmunds, Ellis, Farmer, Fern, Ford, Hahn, Hall, Hampton, Hinkle, Hopkins, Irick, Isler, Lovins, Lyon, Ben Martin, C. H. Martin, Miles, Miller, Moloney, Moorman, Neel, Nichols, Osborn, Osting, Parrish, Peniston, Quinn, Rausch, Ray, Robinson, Slusher, Virgil Smith, Stacy, Steiger, Stidham, Treas, Tucker, G. T. White, J. E. White, Wood, Young. Nays 2—Houtchens and Tanner. **HB 151** was passed and the title agreed to.

The Speaker vacated the Chair, and Representative Cook presided.

Report on Enrolled Bills

Committee on Enrollment reported that **HB 502, HB 401, HB 340, HB 348, HB 529, HB 495, HB 446, HB 497, HB 499, HB 516, HB 456, HB 426, HB 361, HB 331, HB 247, HB 282,** and **HR 32** had been examined and found correctly enrolled. Read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate. **HB 502, HB 401, HB 340, HB 348, HB 529, HB 495, HB 446, HB 497, HB 499, HB 516, HB 456, HB 426, HB 361, HB 331, HB 247, HB 282,** and **HR 32** delivered, signed by President of the Senate. Ordered delivered to the Governor.

Introduction of Bills and Resolutions

HR 139, by Representative Caudill:

HR 139, WHEREAS, after the adjournment of the General Assembly there are many unused printed bills, and

WHEREAS, some research is required for any person to know what was the final disposition of the bill or if it passed whether the printed copy conforms to the enrolled copy, and

WHEREAS, there is necessarily some time before the Acts are printed, and

WHEREAS, many departments of the state government, members of the legislature and other people are interested in the final disposition of all bills.

THEREFORE, be it resolved by the House of Representatives, the Senate concurring therein:

1. That the Legislative Research Commission be requested to take all unused printed bills in both House and Senate and stamp or otherwise indicate at the heading of each bill the final disposition of the bill, such as:
   (a) Became a law as printed;
   (b) Became a law but amended;
   (c) Passed by the legislature but vetoed by Governor;
   (d) Failed to pass.
2. That the members of the General Assembly be requested to give to the Legislative Research Commission copies of all printed bills in their possession and the Legislative Research Commission be requested to return at an early date a full set of all bills to those members who leave their bills for being stamped as to their final disposition.
3. That the Legislative Research Commission be instructed to provide the various departments of the state government with such bills as they request and if other copies are available to any interested person who may request them.

Representative Caudill moved to adopt **HR 139.** Agreed.

HR 137, by Representatives Barton and Denham:

HR 137, A CONCURRENT RESOLUTION memoralizing Congress to enact legislation enabling the states to correct abuses under the program for aid to dependent children.

WHEREAS, there appears to be considerable abuse under the program for aid to dependent children insofar as it relates to illegitimate children, and

WHEREAS, there appears to be considerable doubt as to whether or not the states can enact legislation to correct these abuses without loss of Federal funds;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the Congress of the United States be and hereby is memorialized and requested to enact the necessary legislation enabling the several states to pass legislation correcting any abuses that the state finds to exist with respect to aid to dependent children, insofar as it relates to illegitimates without loss of Federal funds.

Section 2. That the Clerk of the House of Representatives forward copies of this resolution to the Clerk of the House of Representatives of the United States, each member of the United States Congress from the Commonwealth of Kentucky, and to the Secretary of the Department of Health, Education and Welfare.

Representative Barton moved to adopt **HR 137.** Agreed.

HR 134, by Representative Irick:

HR 134, A RESOLUTION commending the members of the House of Representatives and others.

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of the House of Representatives, the political parties to which they belong, and all other persons who have been concerned with this session of the General Assembly of the Commonwealth of Kentucky be and are commended for their cooperation and lack of friction, which resulted in allowing this House of Representatives to contend successfully with a prodigious amount of work, and in making this a most productive legislative session.

Representative Irick moved to adopt **HR 134.** Agreed.

HR 136, by Representative Ford:

HR 136, A RESOLUTION requesting the Legislative Research Commission to make a study of political parties.

WHEREAS, under our two party system of government, the democratic functioning of political parties is an essential element of representative government; and

WHEREAS, Kentucky laws are largely silent concerning the organization, functioning, and structure of political parties.

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Legislative Research Commission be and is requested to make a study of the organization, functioning, and structure of political parties. The Commission is further authorized, if the need arises, to secure the advice and assistance of other state agencies, private groups, the Political Science departments of colleges and universities, and interested citizens.

Representative Ford moved to adopt **HR 136.** Agreed.

HR 140, by Representative Houtchens:

HR 140, A RESOLUTION relating to the adjournment of the House of Representatives.

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That, when the House of Representatives of the General Assembly adjourns sine die, it does so to commemorate the passing of those members of the General Assembly who have left us during this past year.

Section 2. That such adjournment also be in honor of My Old Kentucky Home and the other historical points of interest in and surrounding Bardstown, Kentucky.

Representative Houtchens moved to adopt **HR 140.** Agreed.

HR 141, by Representative Tanner:

HR 141, A RESOLUTION directing a study of the effects and proceeds of the recently enacted sales tax.

WHEREAS, House Bill No. 75, providing for a sales tax, was recently enacted into law; and

WHEREAS, the Commonwealth of Kentucky has had no recent experience with such a tax; and

WHEREAS, the General Assembly and the people should be informed of the effects of the sales tax; and

WHEREAS, it is desirable for the Commonwealth of Kentucky to inform the United States Internal Revenue Service of the approximate amounts that residents of Kentucky are paying as sales tax, so that the Internal Revenue Service might issue appropriate regulations to allow the estimation of amounts of sales tax paid as a deduction for income tax purposes.

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Legislative Research Commission and the Department of Revenue be, and they hereby are, authorized and directed to conduct a study of the effects of the sales tax provided in House Bill No. 75 of the 1960 General Assembly during the first nine months of its application, with particular emphasis on the following:

(1) The gross and net yields of the sales tax;

(2) The amount attributable to the sale of food bought for home consumption and other necessities;

(3) The effect of the sales tax on industrial operations and expansion;

(4) An analysis of the amount of sales tax paid by persons in the various income groups.

Section 2. That the Legislative Research Commission and the Department of Revenue be, and they hereby are, authorized and directed to formulate a recommendation to the United States Internal Revenue Service as to what amounts should be allowed as an estimate of the sales tax paid by persons in various income groups, based on the study authorized in Section 1 of this Resolution, in time for the filing of Federal income tax in 1961.

Section 3. That the results of the study authorized in Section 1 of this Resolution, including findings and recommendations, be made the subject of a report to be presented to all members of the General Assembly no later than May 1, 1961, with discussion of feasibility of removing the sales tax on food for home use and any other necessities.

Representative Tanner moved to adopt **HR 141.** Agreed.

HR 142 by Representative Tanner:

HR 142, A RESOLUTION directing the Legislative Research Commission to devise a system of organization and job classification for employes of the General Assembly.

WHEREAS, during the last few sessions of the General Assembly there has been a shortage of experienced stenographers; and

WHEREAS, during these same periods the General Assembly has been overstaffed with unnecessary personnel of other types; and

WHEREAS, there exists a need for a system of organization and job classification of employes of the General Assembly;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Legislative Research Commission be, and it hereby is, authorized and directed to study the personnel requirements of the General Assembly and present a recommended system of organization and job classification to the members of the General Assembly before February 28, 1961. The system of organization shall clearly indicate which positions are established by the Constitution of Kentucky. This table of organization shall also include a study of job responsibilities and work loads with recommended compensation for each position.

Representative Tanner moved to adopt **HR 142.** Agreed.

The Speaker vacated the Chair and Representative Cook presided.

HR 133, by Representative Houtchens:

HR 133, A RESOLUTION relating to the "Stephen Foster Story".

WHEREAS, the Stephen Foster Drama Association, a non-profit organization of Kentuckians has been formed and has produced the "Stephen Foster Story" at My Old Kentucky Home in Bardstown; and

WHEREAS, this symphonic drama has enriched the music and tradition of Kentucky's colorful past in a real way; and

WHEREAS, it has proven the most striking tourist attraction in Kentucky in its one year of performances, bringing fame and credit to the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That each member of the House of Representatives resolve unto himself to see at least one performance this summer, and encourage all Kentuckians to do likewise.

Section 2. That the Department of Parks and all other state agencies be, and they hereby are, directed to lend their assistance and support to the furthering of this effort of the people of Bardstown and Nelson County.

HR 135, by Representatives Fern, Denham, Hinkle, and Fields: A RESOLUTION asking the Department of Conservation to allocate $50,000 of its appropriation for constructing a swimming pool at Blue Lick Park.

Senate Message

Announcing passage of **HB 344** with amendment, **HB 509, HB 370, HB 392, HB 535, HB 385, HB 88, HB 376, HB 398, HB 472, HB 169, HB 19, HR 95, HR 105, SB 171** with amendment, **SR 53.**

Recess

Representative Ray moved that the House recess until 10 p.m. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Quorum roll call.

On the roll call, the following Representatives were present: — Alexander, Barton, Bates, Baumgardner, Brizendine, Buckman, Burress, Castle, Caudill, Clark, Cole, Colley, Cook, Paul Cornett, Cottengim, Crecelius, Dean, Denham, Edmunds, Ellis, Fern, Ford, Griffin, Haley, Hardin, Hardwick, Harris, Hays, Henry, Hill, Hislope, Houtchens, Hopkins, Irick, Isler, Lovins, Lowman, Lyon, C.H. Martin, Miles, Miller, Moloney, Murphy, Neel, Nichols, Nolan, Ostertag, Osting, Peniston, Quinn, Rausch, Ray, Rayburn, Reynolds, Roberts, Robinson, A. C. Smith, J. D. Smith, Spurrier, Stacy, Steiger, Stidham, Summe, Tucker, J. E. White, Wood. A quorum was present.

Report on Enrolled Bills

Committee on Enrollment reported that **SB 102, SB 88, SB 113, SB 197, SB 214, SB 255, SB 269, SB 283, SB 274, SB 284, SB 68, SB 104, SB 140, SB 157, SB 166, SB 185, SB 202, SB 203, SB 208, SB 235, SB 240, SB 241, SB 271, SB 280, SB 282** and **SB 256** had been examined and found correctly enrolled. Read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Governor.

Senate Message

Announcing passage of **HB 37, HB 95, HB 357, HB 402, HB 405, HB 442,** and **HB 228** with Senate amendment.

The Speaker vacated the Chair, and Representative Wathen presided.

Report on Enrolled Bills

Committee on Enrollment reported **HB 19, HB 88, HB 109, HB 151, HB 169, HB 370, HB 376, HB 385, HB 389, HB 392, HB 398, HB 441, HB 450, HB 472, HB 509, HB 511, HB 535,** and **HR 79,** had been examined and found correctly enrolled. **HB 19, HB 88, HB 109, HB 151, HB 169, HB 370, HB 376, HB 385, HB 389, HB 392, HB 398, HB 441, HB 450, HB 472, HB 509, HB 511, HB 535** and **HR 79** read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 19, HB 88, HB 109, HB 151, HB 169, HB 370, HB 376, HB 385, HB 389, HB 392, HB 398, HB 441, HB 450, HB 472, HB 509, HB 511, HB 535 and **HR 79** delivered, signed by President of the Senate. Ordered delivered to the Governor.

Orders of the Day

Representative Ray moved that the House concur in the following Senate amendment to **HB 344**: "Amend printed copy of **HB 344** on page 2, section 1 (2), Lines 15-18 by striking in line 15 the figures $2.00 and substituting therefor $1.75 and in line 18 by inserting immediately after the phrase "contempt of court" and immediately before the phrase "per day" the following: "a fee equal to the reasonable cost of providing such services, not exceeding," and Amend printed copy of **HB 344** on page 2, section 1 (3) lines 32-35 by striking the figures "$2.00" on line 32 and substituting therefor the figures "$1.75" and by striking lines 33, 34 and 35."

On the roll call, the vote was yeas 9—Caudill, Crecelius, Miles, Osting, Quinn, Rausch, Ray, Steiger, Tucker. Nays 35—Alexander, Buckman, Burress, Castle, Clark, Colley, Cook, Cornett, Dean, Dobyns, Ford, Griffin, Hahn, Hall, Hardwick, Hays, Hill, Hinkle, Hislope, Hopkins, Houtchens, Lovins, C. H. Martin, Moorman, Nolan, Rayburn, Reynolds, Roberts, Robinson, A. C. Smith, J. D. Smith, Virgil Smith, Spurrier, Stacy, and J. E. White. The House refused to concur in the amendment to **HB 344.**

Representative Ray moved that the House request that the Senate recede from its amendment to **HB 228.** Agreed.

Representative Haley moved that Senate consideration of **HR 80** be upheld. The Senate tabled the Resolution after going into Committee as a whole. Agreed.

The Senate refused to concur in House amendment to **SB 171.** Representative Ray moved that the House refuse to recede. The Speaker appointed the following committee to meet with a like committee from the Senate to confer about amendments to **SB 171:** Moloney, Wathen and Edmunds. Agreed.

Report of Enrolled Bills

Committee on Enrollment reported that **SB 218** had been examined and found correctly enrolled. **SB 218** read at length, compared, and signed in open session by the Speaker.

Orders of the Day

Representative Ray moved the adoption of **SR 67.** Agreed.

SR 67, A RESOLUTION commemorating the life of the late Rodes K. Myers.

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the following expression be made a permanent part of the legislative record of this session:

The Commonwealth of Kentucky was saddened by the death of the Honorable Rodes K. Myers on March 11 of this year. He began life in Warren County in 1901.

He helped earn his education by carrying newspapers, working in drug stores and working for the United States Geological Survey. He taught at the Littleford Business College to earn his way through the University of Cincinnati Law School. He also attended Ogden College and the University of Kentucky.

Mr. Myers began his career as a public servant when he accepted appointment as Commonwealth's Attorney in 1933, filling out an unexpired term. He was elected as a Representative to the General Assembly from his home district in 1934, and served with such distinction that he was re-elected for two more terms, and in 1939 he was elected Lieutenant Governor of the Commonwealth of Kentucky, and as such served with distinction as President of the Senate. He also served in this Senate as a member during the 1948 and 1950 sessions. After his term as Lieutenant Governor, he was a candidate for the governorship.

When not serving his state in an official position, Mr. Myers practiced law in Bowling Green. His specialty was criminal law, and for many years he was the leading criminal lawyer in this part of the nation. He represented over one hundred defendants charged with murder, but none of his clients was ever given the death sentence.

Mr. Myers was an orator of unusual ability, both in political campaigns and before a jury. He had a brilliant mind; equally at home in the classics, criminal law, and the rough and tumble know-how of politics.

Rodes K. Myers served his native state well, and it deeply mourns his passing.

Section 2. That the Clerk of the Senate be directed to forward a copy of the journal in which this Resolution is spread to the widow of the Honorable Rodes K. Myers.

Representative Ray moved the adoption of **SR 56.** Agreed.

SR 56, A CONCURRENT RESOLUTION relating to the duties of the Division of State Police and the Department of Highways.

Be it resolved by the Senate of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. In many areas of the state, automobile junk yard owners are contributing to the loss of life, limb and property by leaving junked vehicles on state right-of-ways.

Section 2. That the Department of Public Safety, through the Division of State Police, is earnestly requested to fulfill its duty to the people of the Commonwealth by a close inspection of all junk yards in the state and a prompt removal of the vehicles standing on state right-of-ways. The Department of Public Safety is further requested promptly to notify the Department of Highways and secure the latter's cooperation in removing these junked vehicles.

Representative Ray moved the adoption of **SR 59.** Agreed.

SR 59, A JOINT RESOLUTION directing the Legislative Research Commission to make further study of the banking laws.

WHEREAS, the Legislative Research Commission's study of the Model State Banking Code, conducted pursuant to Chapter 103 of the 1958 Acts, has shown the desirability of preparing a banking code especially for Kentucky;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Legislative Research Commission be directed to study a banking code that will be suitable for Kentucky, considering existing Kentucky laws and customs and usages, and to present its recommendations for such a code to the 1962 session of the General Assembly.

Section 2. That to advise it in preparing a Kentucky banking code, the Commission appoint an advisory committee whose members shall be composed of bankers, representatives of other interested groups, and public-minded citizens.

Section 3. That as part of this program the Commission distribute reports of its study of the Model State Banking Code to all interested parties.

Representative Moloney reported that Senate Committee agreed with House decision on **SB 171.**

Report on Enrolled Bills

Committee on Enrollment reported that **HB 442, HB 405, HB 402, HB 95, HB 37,** and **HB 357** had been examined and found correctly enrolled. **HB 442, HB 405, HB 402, HB 95, HB 37,** and **HB 357** read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate.

Committee on Enrollment reported that **SB 237** had been examined and found correctly enrolled. **SB 237** read at length, compared, and signed in open session by the Speaker.

SB 237 delivered, signed by President of the Senate. Ordered delivered to the Governor.

Senate Message

Announcing passage of **HB 480, HB 223, HB 288, HB 416, HB 433, HB 476, HB 320, HB 344, HB 228, HB 321, HB 477, HB 481, HB 520, SB 171, HR 128, HR 129, HR 137, HR 139.**

Report on Enrolled Bills

Committee on Enrollment reported that **HB 228, HB 223, HB 320, HB 344, HB 416, HB 433, HB 476, HB 480** and **HB 288** had been examined and found correctly enrolled. **HB 480, HB 223, HB 288, HB 416, HB 433, HB 476, HB 320, HB 344** and **HB 228** read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 480, HB 223, HB 288, HB 416, HB 433, HB 476, HB 320, HB 344 and **HB 228** delivered, signed by President of Senate. Ordered delivered to the Governor.

Senate Message

Announcing passage of **HB 321, HB 477, HB 481, HB 520** and **SB 171.**

Orders of the Day

Representative Ray moved to adopt **SR 68**. Agreed.

SR 68, A CONCURRENT RESOLUTION providing for sine die adjournment of the 1960 General Assembly.

Be it resolved by the Senate of the Commonwealth of Kentucky, the House of Representatives concurring therein:

That when the House and Senate adjourn on March 18, 1960, they do adjourn sine die.

Report of Enrolled Bills

Committee on Enrollment reported that **HB 477, HB 481, HB 520** and **HB 321** had been examined and found correctly enrolled. **HB 477, HB 481, HB 520** and **HB 321** read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate.

HB 477, HB 481, HB 520 and **HB 321** delivered, signed by President of the Senate. Ordered delivered to the Governor.

Adjournment

The Speaker appointed the following committee to inform the Senate that the House has concluded all business and to join a like Committee from the Senate to wait upon the Governor to inquire if he has further business to communicate: Representatives Moloney, Ray, Rayburn, Henry and Robinson.

The Committee from the House met with a like Senate Committee and reported that Governor Combs thanked them for the dispatch with which the work of the Session was accomplished.

Representative Ray moved to adjourn Sine Die. Agreed.

The Journal of the House was read, compared and approved. The House adjourned Sine Die.

Approved:

Harry King Lowman
Speaker

Attest:

Troy B. Sturgill, Chief Clerk
House of Representatives

VETO MESSAGES

(Spread Upon the Register of the Secretary of State After **Sine Die** Adjournment)

HB 109. I am vetoing HB 109 since it adds sanitation districts to the group of utilities to be regulated by the Public Service Commission without providing for an increase in assessments which would be necessary to finance the necessary detailed cost studies of all sanitation districts. The total assessment of $400,000 per year, as authorized by HB 270, is required to meet the cost of regulating utilities presently under the jurisdiction of the Commission.

Bert Combs
Governor

March 26, 1960

HB 142. I am this day vetoing House Bill 142 because the increases of fees for the grand jury reporters would be an excessive cost to the counties involved.

Bert Combs
Governor

11:30 p.m., March 18, 1960

HB 151. I am vetoing HB 151 which is an unwarranted invasion by the state when it attempts to direct the method by which such product as paint may be applied.

This bill would authorize regulation by the state in an area in which the state has no business. Moreover, the bill discriminates unreasonably between residents and nonresidents.

Bert Combs
Governor

March 26, 1960

HB 268. I am vetoing HB 268 for the reason, among others, that it removes from the Alcoholic Beverage Control Board discretion which might be important in the proper regulation and control of the industry.

Bert Combs
Governor

March 26, 1960

HB 288. I am vetoing HB 288 in keeping with the basic policy of not recognizing special distinctions between license plates.

Bert Combs
Governor

March 26, 1960

HB 330. I am vetoing HB 330 because the sale of Alcoholic Beverages in small containers will, in my opinion, encourage drinking among teen-agers and college students.

Bert Combs
Governor

March 26, 1960

HB 344. I am vetoing HB 344 in keeping with the policy of holding the line against increased fees and costs of government. More particularly, counties are in financial straits, and this would constitute an unbearable burden to some of them. It is noteworthy also that the jailers received an increase in 1956.

Bert Combs
Governor

March 26, 1960

HB 357. HB 357 is being vetoed for the reason that the present law provides for the collection of clerks' costs, and this bill places an unnecessary burden on ligitants not in default.

Bert Combs
Governor

March 26, 1960

HB 358. HB 358 is being vetoed because no study has been made to determine the cost and full effect of the contents of this bill.

In addition, no provision is made for the transfer of accumulated contributions from the county retirement system to the state retirement system, and vice versa.

Bert Combs
Governor

March 26, 1960

HB 392. I am vetoing HB 392 since

(a) No appropriation is made for meeting the per diems and expenses provided in the bill.

(b) The establishment of interim legislative committees is of questionable constitutionality and can best be resolved by a Constitutional Convention.

(c) The Legislative Research Commission which was enlarged during this session can meet the interim need for legislative continuity until the problem can be resolved by constitutional clarification.

Bert Combs
Governor

March 26, 1960

HOUSE OF REPRESENTATIVES

HB 476. I am vetoing HB 476 because it would decrease the general fund without any corresponding benefit to the counties involved.

Bert Combs
Governor

March 26, 1960

HB No. 480. This bill would be inconsistent with the long established purpose and policy of vehicle registration in Kentucky.

For this reason I am vetoing HB 480.

Bert Combs
Governor

March 26, 1960

HR 32. I am vetoing HR 32 since the regular appropriation to the Legislative Research Commission provides funds for studies of this type.

Bert Combs
Governor

March 26, 1960

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HISTORY OF HOUSE BILLS

Numbers refer to page of House Journal. The text of bill is given on 1st reading. The names of sponsors are in parentheses; when a bill has more than two sponsors, only the first is listed in this History, but all sponsors are listed when a bill is introduced.

HB 1 Sets fee for peace officers inspecting vehicles for registration purposes (Isler).

HB 2 Creates military service award to be given by Governor (Isler).

HB 3 Requires adequate sanitation and shelter for railroad employees (Cottengim).

HB 4 Creates alternative penalties to death or life imprisonment (Edmunds and others).

HB 5 Imposes penalty of imprisonment for drunken driving (Render, Hopkins).

HB 6 Repeals Department of Highways force account law (Ford).

HB 7 Increases jurors' pay from $5 to $8 per day (C. C. Carter).

HB 8 Requires reflective motor vehicle license plates (Hinkle).

HB 9 Vests sole responsibility for acquiring right of ways in Department of Highways (Castle).

HB 10 Authorizes veterans bonus and imposes temporary sales tax (Hall and others).

HB 11 Increases minimum per capita foundation program allotment (Wathen and others).

HB 12 Changes time of filing for office in certain fourth class cities (Stidham).

HB 13 Increases jurors' pay from $5 to $8 per day (J. D. Smith).

HB 14 Regulates spray painting business (Hinkle).

HB 15 Transfers North Middletown to the fifth class of cities (Hinkle).

HB 16 Specifies minimum crews for railroad trains (Lyon)

HB 17 Increases penalties for hunting upon another's land without consent (Hinkle and others).

HB 18 Increases fees for agent returning fugitive to state (Rausch, Quinn).

HB 19 Regulates sale of motor vehicle brake fluid (Isler).

HB 20 Abolishes the county poll tax (C. C. Carter).

HB 21 Creates Division of Indigent Medical Care in Department of Economic Security (B. B. Cornett and others).

HB 22 Provides four year terms for commissioners in certain second class cities (Fitzpatrick).

		Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
					1st	2nd	3rd			
HB	1	14	55	149	149	158	168			
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HB	15	17	55	157	157	165	220	331	332	332
HB	16	17	55	326						330
HB	17	17	54	246	246	282	302	864	1015	1015
HB	18	18	54							
HB	19	18	55	298	298	312	470	1522	1523	327, 398, 446, 1523
HB	20	18	54							
HB	21	36	54							
HB	22	36	55							

HB 23 Authorizes school boards to purchase liability insurance (Cole and others).
HB 24 Exempts school board members from personal liability for official acts (Cole and others).
HB 25 Requires precincts using voting machine to have ballots in case of machine failure (Isler).
HB 26 Extends the time during which failure to vote requires purgation (Isler).
HB 27 Requires bakery products to show date baked (Colley and others).
HB 28 Compensates court-appointed commissioner for eminent domain proceedings (G. T. White and others).
HB 29 Changes date of primary elections (Ellis, Irick).
HB 30 Prohibits political contributions by public employees (Buckman).
HB 31 Changes date of primary elections (V. Smith and others).
HB 32 Amends restrictions on policies of assessment or cooperative insurance companies (Moloney and others).
HB 33 Requires county attorney to aid in actions for unauthorized practice of veterinary medicine (Lyon).
HB 34 Requires Board of Veterinary Examiners to promulgate code of ethics (Lyon).
HB 35 Permits any public offices to close one work day a week (Quinn).
HB 36 Permits any city to secure blanket bond for employees (Henry).
HB 37 Changes assessment date for fourth class cities (Henry).
HB 38 Permits Governor to transfer counties among tuberculosis hospital districts (Osborn and others).
HB 39 Authorizes Tuberculosis Hospital Commission to train personnel (Osborn and others).
HB 40 Regulates issue and redemption of trading stamps (Osting and others).
HB 41 Allows gasoline vendors a tax set-off to compensate for evaporation (Osting, Hahn).
HB 42 Amends laws relating to Teachers' Retirement System (Ray and others).
HB 43 Amends laws relating to farm gasoline tax refunds (V. Smith, Harris).
HB 44 Levies tax on natural gas earmarked for teachers' salaries (Colley).
HB 45 Changes penalties for motor vehicle law violations to include imprisonment (Henry).
HB 46 Limits diagnosis or treatment of cancer to licensed medical practitioners (Denham).
HB 47 Relates to conveyance of federal prisoner to state court (Ray).

		Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
					1st	2nd	3rd			
HB	23	36	54							
HB	24	36	54	58	58	79	133			133, 136
HB	25	36	54							
HB	26	36	54							
HB	27	36	54	78	78	132				137
HB	28	36	54							
HB	29	36	54	677	677	859	1012			
HB	30	36	54	68	68	79	133			
HB	31	40	54							
HB	32	40	54	322	322	332	418	864	1015	1015
HB	33	40	55	147	147	158	166			675
HB	34	40	55	146	146	158	166			
HB	35	40	55	82	82	132	141	331	332	332
HB	36	40	55	245	245	282	300			
HB	37	40	55	563	567	645	698	1523	1526	
HB	38	40	55	146	146	158	166	379	379	379
HB	39	40	55	145	145	158	165	379	379	379
HB	40	40	55	77	77					83
HB	41	41	55							
HB	42	41	54	58	58	79	134	709	864	902
HB	43	41	55	264	264	300				316
HB	44	49	55	619	619	661	859			760
HB	45	49	54	165						
HB	46	49	55	226	226	237	282	539	609	
HB	47	49	54	161	162	216	222	539	609	

HB	**48**	Allows women to serve on second class city council (Ray).
HB	**49**	Reduces requirement for disability retirement under Kentucky Employees' Retirement System (Qualls, Fitzpatrick).
HB	**50**	Authorizes Library Extension Division to provide reading matter for the blind (Isler).
HB	**51**	Extends sick leave to non-teaching school employees (Colley).
HB	**52**	Allows officers to act as notaries for spouses of armed forces' members (Nichols).
HB	**53**	Changes meeting requirements for county registration and purgation boards (Nichols).
HB	**54**	Authorizes State Tuberculosis Hospitals to accept persons with other lung diseases (Fields).
HB	**55**	Prohibits operation of motor vehicle while under influence of barbiturates (Tanner).
HB	**56**	Authorizes certain cities and counties to create joint planning commissions (Roberts and others).
HB	**57**	Prohibits legislators from holding state jobs (Tanner and others).
HB	**58**	Prohibits candy or soft drink sales in schools (Caudill).
HB	**59**	Requires that public utility refunds to customers include interest (Cottengim).
HB	**60**	Prohibits discriminatory public utility rates for intrastate service (Cottengim).
HB	**61**	Restricts grant of probation and parole (Caudill, Hardin).
HB	**62**	Concurs in **HB** 1 of the 1959 Special Session, relating to a constitutional convention (Ray and Others).
HB	**63**	Sets penalty of hard labor for persons convicted of desertion or non-support (Caudill and others).
HB	**64**	Authorizes statue of Alben Barkley in Capitol (Lowman).
HB	**65**	Amends Criminal Code, relating to challenges in felony prosecutions (G. T. White).
HB	**66**	Increases foundation program allotments for teachers' salaries (Colley).
HB	**67**	Authorizes circuit court clerks to collect fee for filing financial statements (Wathen and others).
HB	**68**	Changes method of filing chattel mortgages with county clerks (Wathen and others).
HB	**69**	Relates to filing lien instruments (Wathen and others).
HB	**70**	Relates to identification of financing statements (Wathen and others).
HB	**71**	Requires secured party who has terminated his interest to notify clerk (Wathen and others).
HB	**72**	Sets tax on financing statements over $200 (Wathen and others).

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 48	49	55	245	245	282	300	709	864	902
HB 49	49	54	520	527	605	662			
HB 50	49	55	145	145	158	165	709	864	902
HB 51	49	55							
HB 52	55	72	616	616	661	705			
HB 53	55	72	163	163	216	222	671	864	902
HB 54	55	72	227	227	237	241	379	379	159, 379
HB 55	55	72	299	299	312	328			714
HB 56	55	72	247	247	282	332	709	864	902
HB 57	55	73							
HB 58	55	72							
HB 59	55	72							
HB 60	55	72							
HB 61	55	72	165						
HB 62	55	73	68	68	79	135	232	241	241
HB 63	56	72	171	171	220	229			
HB 64	56	72	588	588	645	700	1019	1170	1170
HB 65	73	73	165						
HB 66	73	73	444	444	461	605			
HB 67	73	73	84	85	140	150	242	424	285, 472, 477, 536
HB 68	73	73	84	85	140	150	242	285	285
HB 69	73	73	84	86	140	150	242	285	282, 285
HB 70	73	73	84	84	140	150	242	285	285
HB 71	73	73	84	84	140	151	307	668	315, 613, 646, 668
HB 72	73	73	84	88	140	152	242	285	285

HB 73	Specifies identification of property intended as collateral (Wathen and others).
HB 74	Eliminates death penalty for certain crimes (Cottengim).
HB 75	Provides three per cent sales tax and sale of bonds to finance Veterans' bonus (Ray, Caudill).
HB 76	Authorizes State Police to hold driving schools for motor vehicle offenders (Wathen).
HB 77	Abolishes individual income tax in the event a sales tax is passed (Haley).
HB 78	Permits county and circuit court clerks or notaries public to draft deeds and mortgages (Hays and others).
HB 79	Amends income tax law in the event a sales tax is passed (Haley).
HB 80	Permits fiscal court to reimburse expenses of certain district detectives (Edmunds).
HB 81	Requires that drivers' licenses show blood type (Harris, Wood).
HB 82	Eliminates federal funds paid in lieu of taxes from calculation of foundation program allotments (Miles and others).
HB 83	Authorizes limited drivers' licenses for persons sixteen through eighteen years old (Cook).
HB 84	Creates 47th Judicial District comprising Letcher County (Caudill).
HB 85	Authorizes Veterans Bonus to be administered by Adjutant General (Lowman).
HB 86	Requires permit for purchase of dangerous weapons (Isler).
HB 87	Prohibits employment discrimination based on age (Isler).
HB 88	Changes term of Grayson Circuit Court (Spurrier, Moorman).
HB 89	Creates State Horticultural Commission (F. Morgan).
HB 90	Increases fine for injury to public property (Edmunds and others).
HB 91	Relates to municipal proceedings to acquire electric systems (Lovins and others).
HB 92	Prohibits marriage with imbecile (Render, Moorman).
HB 93	Sets penalty for use of violence against news reporter or photographer (Osborn).
HB 94	Permits persons to vote at former address if they change precincts after registration books are closed (Osborn).
HB 95	Includes adopted children in persons exempt from certain inheritance taxes (Denham and others).
HB 96	Changes definition of persons who may form a corporation (Edmunds).
HB 97	Increases per diem for county board of education members (Buckman).
HB 98	Changes requirements for second class city fire departments (Cottengim and others).

		Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
					1st	2nd	3rd			
HB	73	73	73	84	87	140	152	242	285	285
HB	74	73	73	644						
HB	75	73	73	89	89	140	217	239	241	143, 160, 172, 241
HB	76	73	73	84	86	140	158			675
HB	77	73	73							
HB	78	73	73							
HB	79	74	73							
HB	80	74	73							
HB	81	74	73	160	160	216	229			
HB	82	74	73	139	139	149	159			
HB	83	74	73	679	693	859				
HB	84	74	73	222	223	229	237	419	419	419, 536
HB	85	74	73	268	268	300	307	379	379	379
HB	86	79	135	324						
HB	87	79	135							
HB	88	79	135	390	392	446	465	1522	1523	1523
HB	89	79	135							
HB	90	79	135	162	163	216	221	539	609	
HB	91	79	135							
HB	92	79	135							
HB	93	79	135							
HB	94	80	135	325	325	332	419			
HB	95	80	135	148	149	158	167	1523	1526	
HB	96	80	135	390	390	446	463			
HB	97	80	135	244	244	282	300			301
HB	98	80	135	161	161	216	380			237

HB 99	Sets one dollar per hour minimum wage (Cottengim).
HB 100	Relates to proceeds from leases by counties for Ohio riverbed development (Neel and others).
HB 101	Prohibits discrimination in supplying trading stamps (Cole and others).
HB 102	Authorizes fiscal court to provide a deputy circuit court clerk (Hinkle).
HB 103	Authorizes school boards to provide blanket insurance for children on busses (Irick and others).
HB 104	Permits flashing lights on rural mail carriers' vehicles (Wood and others).
HB 105	Changes the primary election date (Hahn and others).
HB 106	Prohibits state employment of persons related to legislators (Tanner and others).
HB 107	Requires installation of electric warning device at certain highway intersections (Lankford and others).
HB 108	Relates to incorporation of chambers of commerce (Tanner).
HB 109	Makes sanitation districts subject to certain public utility laws (Isler).
HB 110	Makes appropriation for county roads and bridges (Ellis).
HB 111	Authorizes combined hunting and fishing license (Chumbler, V. Smith).
HB 112	Abolishes local government poll taxes (Young).
HB 113	Relates to content of disability insurance policies for hospitalization (Garner and others).
HB 114	Requires corporations to pay employees weekly (Cottengim, Dexter).
HB 115	Amends strip mine law to include clay and to increase operators' bond (Cottengim and others).
HB 116	Raises the pay of circuit court jury commissioners (G. T. White).
HB 117	Repeals certain obsolete laws relating to county road precincts (G. T. White).
HB 118	Lowers requirements for veterinary medicine license (Stidham and others).
HB 119	Relates to police and firemen's pension funds in third class cities (Dexter, Denham).
HB 120	Permits any public offices to close Saturday or Wednesday afternoons (Hislope).
HB 121	Prohibits sale of candy or soft drinks in schools (Caudill, Denham).
HB 122	Increases the expense allowance of General Assembly members (Fitzpatrick and others).

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 99	80	135	617						
HB 100	80	135	445	445	461	537			
HB 101	80	135							
HB 102	80	135	679	680	859	903			1492
HB 103	80	135	393	393	446	466			
HB 104	80	135	297	297	312	327	651	668	668
HB 105	80	135	909	948	1004				
HB 106	136	153	320	320	332	417			
HB 107	136	153	268						
HB 108	136	153	320	321	332	447	1501	1502	1502
HB 109	136	153	378	378	417	452	1355	1523	1355, 1361, 1501, 1513, 1523
HB 110	136	153							
HB 111	136	153	246						
HB 112	136	153							
HB 113	136	153							
HB 114	136	153							
HB 115	136	153							
HB 116	141	153							
HB 117	142	153	268	268	300	327	709	864	902
HB 118	142	153	367						
HB 119	142	153	157	157	165	220	484	536	536
HB 120	142	153							
HB 121	142	153	368						
HB 122	142	153	235	235	262	283	484	536	386, 536, 539, 562, 609

HB 123	Requires vote registration books to be taken to magisterial districts (Irick and others)
HB 124	Re-enacts Ch. 22 of the 1954 Acts to correct title (Nichols).
HB 125	Requires counties to pay certain expenses of coroners (Isler).
HB 126	Authorizes a fee for court-appointed attorneys in felony cases (Lankford).
HB 127	Authorizes group life insurance policies for Veterans' associations (Isler).
HB 128	Requires state department heads to make public monthly reports on certain contracts (Buckman).
HB 129	Increases the maximum county tax on crude petroleum (Burress and others).
HB 130	Allows income tax deduction for political contributions (Tanner).
HB 131	Changes truck weight, height, and length limits (P. Cornett and others).
HB 132	Changes definition of property exempt from execution (Fitzpatrick).
HB 133	Authorizes the Department of Conservation to construct drag strips (Lowman).
HB 134	Requires precinct election judges to register voters (Isler).
HB 135	Authorizes a fee for sheriffs for collecting sanitation district taxes (Isler).
HB 136	Increases sheriffs' expense allowance for patrolling roads (Slusher).
HB 137	Changes the Highway Department distribution of funds for county roads (J. White and others).
HB 138	Extends the definition of public utility water districts (Robinson).
HB 139	Provides for disposition of first class city sinking funds (Cook, Houtchens).
HB 140	Changes requirements for government units providing library service (Cook).
HB 141	Authorizes payment of veterans' bonus (P. Cornett and others).
HB 142	Changes pay of stenographers for transcribing grand jury testimony (Quinn and others).
HB 143	Limits jurisdiction of certain city planning commissions (Hahn and others).
HB 144	Changes method of reapportioning justices' districts (Lankford, Hall).
HB 145	Reduces the minimum distilled spirits container which retail drink licensees may buy (Buckman)
HB 146	Extends the offenses for which a child under sixteen may be tried as a felon (Buckman).

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 123	142	153	311	311					316
HB 124	142	153	156	156	165	221	1412	1464	1464
HB 125	153	158	617						
HB 126	153	158	395	395	446	467			468, 539
HB 127	153	158	897	899	907	1011			
HB 128	153	158							
HB 129	153	158	446	446	461				607
HB 130	153	159	321	321	332	469			469, 675
HB 131	153	158	617						
HB 132	159	218							
HB 133	159	218	399	400	446				471, 675
HB 134	159	218	617						
HB 135	159	218	717	717	901	961			
HB 136	159	218	1274	1307	1420				
HB 137	159	218							
HB 138	159	218							
HB 139	159	218							
HB 140	159	218	335	364	417	449	671	864	902
HB 141	159	218							
HB 142	159	218	254	254	282	302	709	864	715, 902
HB 143	168	218	1133	1152	1199				
HB 144	169	218	617						
HB 145	169	218							
HB 146	169	218	393	394	446	466			

HB 147	Extends social security to public junior college employees (F. Morgan, Miles).
HB 148	Requires coroners in certain counties to be physicians (Ford and others).
HB 149	Removes the requirement that police and firemen in second and third class cities be residents (Ellis, Irick).
HB 150	Establishes a public junior college at Elizabethtown (Cole).
HB 151	Regulates the spray painting business (Hinkle).
HB 152	Changes provisions for licensing persons handling anhydrous ammonia (Moorman and others).
HB 153	Amends Criminal Code relating to judgments requiring peace bond (Rausch and others).
HB 154	Authorizes suspension of points for driving offenses under certain circumstances (Miller and others).
HB 155	Relates to reports and appeals of motor vehicle offense convictions (Rausch and others).
HB 156	Prohibits explosives aboard commercial airlines (Henry).
HB 157	Directs Kentucky Historical Society to memorialize the Greensburg Courthouse (Burress and others).
HB 158	Authorizes free fishing license for persons with defective vision (Clark and others).
HB 159	Adds majority and minority caucus chairmen to the Legislative Research Commission (Hislope and others).
HB 160	Changes the term of court in the 23rd Judicial District (Reynolds and others).
HB 161	Authorizes state aid for county roads in suburbs (Young).
HB 162	Revises terms of 19th Judicial District circuit courts (Denham and others).
HB 163	Creates Commission on Human Rights (Childress, Moloney).
HB 164	Requires licensing of business schools (Hinkle, Hopkins).
HB 165	Changes per capita guarantee to school districts (Hinkle and others).
HB 166	Relates to provision of electric service in annexed areas (Moorman and others).
HB 167	Changes Fort Wright to a fourth class city (Isler).
HB 168	Creates a Constitution Revision Committee (Ford and others).
HB 169	Regulates milk processing and marketing (Osborn).
HB 170	Requires humane methods of animal slaughter (F. Morgan).
HB 171	Permits circuit courts to commence on day after a holiday (Lyon).
HB 172	Changes penalty for petit larceny (Lyon).
HB 173	Changes requirements for location of a temporary courthouse (Osborn).

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 147	169	218	235	235	262				283, 675
HB 148	169	218	617						
HB 149	218	230							
HB 150	218	230							
HB 151	218	230	895	895	907	1009	1503	1523	1517, 1523
HB 152	218	230	255	255	282	326	651	668	668
HB 153	218	230	393	393	446	466			
HB 154	218	230	469	469	534	647			
HB 155	218	230	393	394	446	467			
HB 156	218	230	317	318	332	381			
HB 157	218	230							
HB 158	219	230							
HB 159	219	230	399	399	446	861	1469	1475	471, 633, 661, 1470, 1475
HB 160	219	230	390	391	446	465			
HB 161	219	230	1274	1298	1420	1463			
HB 162	219	230	390	391	446	465	1169	1274	1274
HB 163	224	230	908	908	1004	1158	1501	1502	1158, 1199, 1502
HB 164	225	230	591	591	645	702			
HB 165	225	230	617	617	661				
HB 166	225	230	255	255	282	303	424	536	536
HB 167	225	230							
HB 168	225	230	519	520	605	647	1485	1502	1502
HB 169	225	230	288	288	312	379	1522	1523	1523
HB 170	225	230	367						
HB 171	225	230	368	368	417	451			
HB 172	225	230	393	395	446	467			
HB 173	225	230	256	256	282	301	484	536	536

HB 174	Prohibits removal of police and firemen in third class cities except for specified causes (Dexter).
HB 175	Amends egg handling law (A. C. Smith).
HB 176	Prohibits intrastate sale of natural gas in Kentucky at a higher price than interstate sale (Colley and others).
HB 177	Changes provision for voting by blind persons (Slusher).
HB 178	Changes membership of county boards of health (Colley).
HB 179	Requires perpetual care cemeteries to establish trust funds (Chumbler).
HB 180	Makes deficit appropriations to certain state agencies (Ray).
HB 181	Makes appropriation to pay certain approved claims (Ray).
HB 182	Requires proof of financial responsibility for motor vehicle registration (Render and others).
HB 183	Changes term of court in the 45th Judicial District (Hopkins, Hahn).
HB 184	Sets requirements for liability insurance provided county hospital patients by fiscal court (Young and others).
HB 185	Limits absent voting to armed forces members (Garner and others).
HB 186	Authorizes certain expense payments to official court reporters (Quinn and others).
HB 187	Changes pay of special court reporters (Quinn and others).
HB 188	Authorizes cities to impose additional alcoholic beverage license taxes (Murphy).
HB 189	Revises coverage and benefits of unemployment compensation law (Colley and others).
HB 190	Regulates commercial enterprises on limited access highways (Osting).
HB 191	Changes requirements for petition to nominate political candidates (J. E. White).
HB 192	Repeals surtax on heavy equipment motor carrier fuel (J. E. White and others).
HB 193	Changes membership of the State Board of Agriculture (Young, Rayburn).
HB 194	Changes salary limits for mayors and commissioners in second class cities (Fitzpatrick and others).
HB 195	Requires collectors to file tax lien notices with county clerk (Davis and others).
HB 196	Regulates resale prices and contracts (Caudill).
HB 197	Creates Division of Pest and Noxious Weed Control (Bates and others).
HB 198	Changes requirements for distribution of rural road funds by the Department of Highways (Nolan and others).
HB 199	Establishes merit system of personnel administration (Ray).
HB 200	Requires that school board terms caused by vacancies run until the next election (Neel).

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 174	225	230	245	246	282	301	484	536	536
HB 175	232	239	288	294	312	333	651	668	668
HB 176	232	239							
HB 177	232	239	909	910	1004	1154			
HB 178	232	239	367						
HB 179	232	239	460	460	469	607	1270	1408	609, 646, 1355, 1408
HB 180	232	239	317	318	332	447	671	864	675, 902
HB 181	232	239	317	317	332	380	1412	1464	1464
HB 182	232	239	617						
HB 183	232	239	392	393	446	464	709	864	902
HB 184	232	239	695	695	859	904	1270	1408	907, 1408
HB 185	232	239							
HB 186	232	239	367	368	417	450			
HB 187	232	239	367	367	417	450			
HB 188	238	263	379						
HB 189	238	263							
HB 190	238	263							
HB 191	238	263							
HB 192	238	263							
HB 193	238	263	530	530	605	859	1270	1408	1408
HB 194	238	263							
HB 195	238	263	369	370	417	452			
HB 196	238	263	335	359	417	448			
HB 197	239	263	288	296	312	328	709	864	902
HB 198	239	263							
HB 199	239	263	424	424	461	535	709	864	902
HB 200	239	263	444	445	461	536			

HB 201 Requires that mortgages secure debt extensions and renewals (Robinson).
HB 202 Abolishes state retirement credit for World War II service (Moloney).
HB 203 Transfers Fort Wright to the fourth class of cities (Isler, Summe).
HB 204 Requires liability insurance prior to motor vehicle registration (Irick and others).
HB 205 Revises wage basis for unemployment claims (Brizendine and others).
HB 206 Authorizes water districts to distribute gas to more than one county (Harris).
HB 207 Creates a Milk Marketing Commission for dairy regulation (Cook and others).
HB 208 Makes policy applicants and examining physicians agents of insurers (Hopkins).
HB 209 Enacts the Uniform Criminal Extradition Act (Ray).
HB 210 Grants free fishing license to persons with sight defects (Clark and others).
HB 211 Subjects motor carrier permits set aside by court order to six months reapplication period (L. F. Morgan and others).
HB 212 Creates a Credit Union Division for regulation of such agencies (Osting).
HB 213 Authorizes title insurance on real estate sold under court order (Denham).
HB 214 Establishes minimum crew requirements for railroad trains. (Lyon and others).
HB 215 Increases minimum fire protection district property tax. (Ostertag).
HB 216 Authorizes merger of contiguous cities by majority vote of each (Lyon).
HB 217 Increases maximum state share of county election costs. (Ellis).
HB 218 Authorizes five convalescent homes for the aged (Fitzpatrick).
HB 219 Increases the maximum number of voters permitted in voting machine precincts (Ellis).
HB 220 Reduces county judges' fees for settling fiduciaries' accounts (Ellis).
HB 221 Increases county court fees for lunacy inquests (Ellis).
HB 222 Authorizes county judges to tax for misdemeanor case costs (Ellis).
HB 223 Subjects church busses to school bus regulations (Reynolds).
HB 224 Authorizes circuit court domestic relations advisory committees (Murphy).
HB 225 Requires interlocutory form for divorce orders (Murphy).

	Intro-duced	Re-ferred	Re-ported	Readings			Senate Message	En-rolled	Other Action
				1st	2nd	3rd			
HB 201	263	305	1133	1144	1199	1415	1501	1502	1502
HB 202	263	305							
HB 203	263	305	379	379	417	453			662
HB 204	284	305							
HB 205	284	305							
HB 206	284	305							
HB 207	284	305	405	405	446	477	1169	1274	1274
HB 208	284	305							
HB 209	284	305	370	370	417	463	1422	1475	1475
HB 210	284	305	529	529	605	696			
HB 211	284	305	398	399	446	471	1019	1170	1170
HB 212	305	328							
HB 213	305	328							
HB 214	305	328							
HB 215	305	328							
HB 216	305	328	335	358	417	447	1169	1274	1266, 1274
HB 217	306	328							
HB 218	306	328							
HB 219	306	328	335	363	417	448			
HB 220	306	328	392	392	446	464			
HB 221	306	328	617						
HB 222	306	328	529	529	605	664			
HB 223	306	329	396	396	446	470	1526	1526	1526
HB 224	306	328	369						
HB 225	306	328	369						

HB 226	Requires weights and measures labeling of packaged products (Buckman)
HB 227	Establishes licensing regulations for the carpentry trade (Isler).
HB 228	Authorizes ordinance provision for use of city-owned utility earnings (Dexter).
HB 229	Authorizes motor vehicle instruction permits to persons aged 15 enrolled for driver training (Dexter).
HB 230	Establishes a state liquor store monopoly (Reynolds, Caudill).
HB 231	Establishes licensing regulations for auctioneers (Dean, Dexter).
HB 232	Reduces number of petitioners required to organize a sanitation district (F. H. Morgan).
HB 233	Establishes bond requirements for primary election candidates (Osborn).
HB 234	Increases financial responsibility law minimum coverage requirements (Neel).
HB 235	Authorizes Department of Mental Health to act in behalf of state patients (Moloney).
HB 236	Requires executors for state mental patients to ascertain if board and support are paid (Moloney).
HB 237	Requires filing of inquest certificate with court for release of state mental patients (Moloney).
HB 238	Revises provisions for commitment and release of incompetents (Moloney).
HB 239	Requires Court of Appeals promulgation of criminal procedure rules (Ellis, Irick)
HB 240	Reduces maximum interest chargeable by small loan companies (Ellis, Irick).
HB 241	Establishes alcoholic beverage resale price maintenance regulations (Fitzpatrick).
HB 242	Creates a Greyhound Racing Commission for regulation of such racing (Fitzpatrick, Harris).
HB 243	Repeals maximum assessment liability of cooperative insurance policyholder (Roberts).
HB 244	Authorizes license tax by counties of 300,000 or over (Quinn and others).
HB 245	Regulates sale of malt beverages (Buckman).
HB 246	Prohibits coal mining within 5 feet of another's property (Robinson).
HB 247	Requires payment of annual stockyard licenses on or before July first (Young, Hampton).
HB 248	Establishes motor vehicle liability insurance regulations (Isler).
HB 249	Authorizes 95 per cent tax exemption on motor boat fuel (Hislope and others).

	Introduced	Referred	Reported		Readings		Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 226	306	328	520	524	605				
HB 227	306	329							
HB 228	306	329	1170	1190	1265	1415	1523	1526	1526
HB 229	306	329	396	396	446	470			664, 665
HB 230	306	329							
HB 231	306	328	393	572	645	700			468, 572
HB 232	306	328	558	558	645	697	1169	1274	1274
HB 233	306	328	393						
HB 234	306	328							
HB 235	313	329	335	339	417	461	709	864	902
HB 236	313	329	335	343	417	462	709	864	902
HB 237	313	329	335	343	417	462	709	864	902
HB 238	313	329	335	347	417	462	709	864	902
HB 239	313	329	591						
HB 240	313	329	617						
HB 241	313	329							
HB 242	313	329	598	598	645	703			865, 958
HB 243	313	329	617						
HB 244	313	329	324	324	332	605	1019	1170	388, 484, 1170
HB 245	313	329	570	570	645	699	1469	1475	1472, 1475
HB 246	329	334	645						
HB 247	329	334	401	401	446	471	1503	1517	1517
HB 248	329	334	617						
HB 249	329	334							

HB 250	Regulates erection of highway advertising devices (Lowman, Ray).
HB 251	Authorizes variable life insurance contracts (Cook).
HB 252	Prohibits working off of fines imposed by third class cities (Dexter).
HB 253	Increases allotment schedule for teachers' salaries (Irick and others).
HB 254	Increases hunting limits on pheasant and ruffed grouse (Clark and others).
HB 255	Provides for approval of wild animal traps (Clark and others).
HB 256	Repeals property tax levy by fire protection or drainage districts in counties of 300,000 or more (Cook).
HB 257	Imposes liability on owner of property for injuries resulting from sale of alcoholic beverages thereon (Harris and others).
HB 258	Prohibits restrictions on home permanents when given privately (Reynolds).
HB 259	Authorizes sterilization of persons deemed unfit for procreation (Ellis).
HB 260	Exempts from taxation property acquired by cities for industrial purposes (Dowell and others)
HB 261	Repeals the exemption of state fair operations from license taxes (Quinn and others).
HB 262	Prohibits city tax on vehicles qualified under the motor carrier weight tax (Quinn and others)
HB 263	Provides that contributory negligence shall not bar recovery (Reynolds, Quinn).
HB 264	Establishes a coal research program (J. D. Smith and others).
HB 265	Requires reinstatement of motor vehicle operators within 5 years after financial responsibility suspension (Ellis).
HB 266	Repeals requirement of second class city planning commission approval of subdivision plats (Osborn).
HB 267	Revises barber and costmetologist regulations (Buckman)
HB 268	Revises limits on the number of alcoholic beverage licenses (Quinn)
HB 269	Increases annual motor vehicle registration fees (Young).
HB 270	Increases maximum assessment of utilities by Public Service Commission (Ray, Tucker).
HB 271	Increases time for filing alcoholic beverage price maintenance amendments (Farmer and others).
HB 272	Increases county clerks' fees for tax bill preparation (L. F. Morgan and others).
HB 273	Creates a state Public School Authority for financing school projects (Hopkins, Ray).
HB 274	Authorizes voting machines for counties agreeing to rent-purchase contract (Ray).

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 250	329	334	541	541	645	1009	1422	1502	715, 1467, 1476, 1502
HB 251	329	334	519	522	605	647	1207	1274	1274
HB 252	329	334	604	604	645	703			
HB 253	329	334							
HB 254	329	334	527	528	605	663	1485	1502	1502
HB 255	329	334	527	528	605	663	1485	1502	1502
HB 256	329	334							
HB 257	329	334							
HB 258	329	334	529	529	605	663			
HB 259	329	334	617						
HB 260	329	334	378	378	417	452	864	1015	1015
HB 261	330	334	1274	1291	1420				
HB 262	330	334							
HB 263	330	334	617						
HB 264	334	420	613	613	661	703	1270	1408	1356, 1408
HB 265	334	420	617						
HB 266	334	420	617	618	661	705			
HB 267	334	420	717	725	901	1159	1469	1502	1502
HB 268	334	420	571	571	645	1007	1422	1475	1475
HB 269	334	420							
HB 270	334	420	530	530	605	666	1469	1475	1475
HB 271	334	420	527	527	605	662			
HB 272	334	420							
HB 273	334	420	541	543	645	667	1019	1170	1170
HB 274	335	420	541	550	645	667	1270	1408	1355, 1408

HB 275	Requires voting machines in all precincts not later than 1963 (Ray).
HB 276	Increases limit for expenditure on interstate agreements (Ray).
HB 277	Authorizes acceptance of federal aid to higher education (Ray and others).
HB 278	Authorizes petition against ordinances of first class cities (Robinson).
HB 279	Requires inclusion of counsel arguments in court transcripts (Wathen).
HB 280	Adds grounds for change of venue in civil courts (Lyon).
HB 281	Repeals provision for damages awarded to Court of Appeals appellants when judgment is affirmed (Ellis).
HB 282	Increases annual pharmacists' license fee (Tucker).
HB 283	Provides penalty for larceny of television equipment (Colley).
HB 284	Prohibits use of emergency vehicle lights on taxicabs (Irick, Ellis).
HB 285	Authorizes free higher learning tuition to children of disabled veterans (Buckman, Bates).
HB 286	Provides prison term penalty for armed robbery or burglary (Clark).
HB 287	Transfers Taylor Mill to the fifth class of cities (Cottengim).
HB 288	Authorizes permanent registration of historical motor vehicles (Barton).
HB 289	Authorizes establishment of County Air Boards for airport finance and maintenance (Reynolds, C. H. Martin).
HB 290	Revises tobacco warehouse regulations (Haley, Houtchens).
HB 291	Permits city halls to close all day Saturday (F. H. Morgan).
HB 292	Authorizes establishment of County Buildings Commissions for buildings finance (Reynolds, C. H. Martin).
HB 293	Prohibits alcoholic beverage advertisements in dry territory (Harris).
HB 294	Requires written instructions to juries in civil cases (Ellis, Irick).
HB 295	Requires confessions and admissions to be written and signed prior to admission as evidence (Ellis, Irick).
HB 296	Exempts medicine and food for home use from the sales tax (P. W. Cornett and others).
HB 297	Requires polio immunization prior to school enrollment (Henry).
HB 298	Authorizes tax refund on motor boat fuel (Wathen).
HB 299	Increases seat tax on U-Drive-It passenger vehicles (Rayburn, Fitzpatrick).
HB 300	Biennial administration budget bill (Ray).
HB 301	Increases police and firemen's widows' benefits (Ostertag).
HB 302	Revises dog licensing provisions (Moorman, L. F. Morgan).

	Intro-duced	Re-ferred	Re-ported	Readings			Senate Message	En-rolled	Other Action
				1st	2nd	3rd			
HB 275	335	420	541	556	645	668	1270	1408	1408
HB 276	335	420	541	557	645	668	1485	1502	1502
HB 277	335	420	541	558	645	669	1469	1475	1475
HB 278	335	420							
HB 279	335	420	591	597	645	703			703, 958
HB 280	335	420	909	948	1004	1202			952, 1063
HB 281	381	420	617						
HB 282	381	420	1133	1147	1199	1265	1503	1517	1517
HB 283	381	420	615						
HB 284	381	420	398	399	446	471			646
HB 285	381	420	677	677	859	957	1485	1502	1502
HB 286	381	420	615						651
HB 287	381	420	645	645	661	1160			
HB 288	381	420	571	571	645	699	1526	1526	1526
HB 289	382	420							
HB 290	382	420	401	401	446	472			
HB 291	382	420							
HB 292	382	420	621	622	661				
HB 293	382	420							
HB 294	420	478							
HB 295	421	478	617						
HB 296	421	478	617						
HB 297	421	478							
HB 298	421	478							
HB 299	421	478							
HB 300	421	478	485	485	605	664	967	1015	1015
HB 301	453	478	560	561	645	697	1270	1408	1408
HB 302	453	478							

HB 303	Removes vehicle search authority from arresting officers (Buckman).
HB 304	Prohibits labor unions from denying secret ballot (Brizendine and others).
HB 305	Authorizes popular election of county school superintendents (Caudill, Garner).
HB 306	Removes November 3, 1959, residence requirement from veterans' bonus act (Caudill).
HB 307	Requires court delegated power for planning commission project changes (Cook).
HB 308	Repeals pinball machine exemption from gambling prohibition (Wood and others).
HB 309	Requires cost of less than $12,000 for Highway Department force account work (Ford, Haley).
HB 310	Imposes seat tax on commercial aircraft (Reynolds).
HB 311	Limits to 10 the number of consecutive hours worked without rest interval (Hahn, Lyon).
HB 312	Requires gas companies to furnish service wherever requested (Irick, Ellis).
HB 313	Prohibits public assistance for more than one illegitimate child (Ellis, Irick).
HB 314	Establishes monthly salaries for county attorneys (Ellis).
HB 315	Requires parental support of children to age 16 (Ellis).
HB 316	Authorizes juvenile courts to transfer misdemeanor cases (Ellis).
HB 317	Permits county attorneys to receive 25 per cent of nuisance property forfeitures (Ellis).
HB 318	Imposes penalty for possession of gambling devices (Ellis).
HB 319	Revises Capitol Planning Commission provisions (Bates).
HB 320	Establishes fee for examining physicians in alcoholism cases (Moloney).
HB 321	Requires expense reimbursement to Alcoholism Commission members (Moloney).
HB 322	Requires conviction judgment prior to suspension of motor vehicle operators (Ellis).
HB 323	Limits exceptions to bond to offenses carrying penalty of death or life imprisonment (Ellis, Irick).
HB 324	Revises duty hours of firemen in third class cities (Ellis, Irick).
HB 325	Lowers the legal age from 21 to 18 years (Ellis, Irick).
HB 326	Requires that public officers' financial statements show transactions by total, sources, and uses (Ellis, Irick).
HB 327	Prohibits disposal of impounded vehicles in facilities owned by peace officers (Hinkle).
HB 328	Prohibits firearms on railroad right of ways (Hinkle)

	Introduced	Referred	Reported	Readings 1st	2nd	3rd	Senate Message	Enrolled	Other Action
HB 303	453	478	644	644	661	1160			
HB 304	453	479							
HB 305	453	478							
HB 306	453	478							
HB 307	453	478							
HB 308	453	478	617						
HB 309	468	478	678	678	859	904	1422	1475	1475
HB 310	468	478							
HB 311	468	479							
HB 312	468	478							
HB 313	468	478							
HB 314	468	478	617						
HB 315	468	478							
HB 316	468	478							
HB 317	468	478	617						
HB 318	468	478	617						
HB 319	468	478	563	563	645	698	1270	1408	1408
HB 320	479	541	620	620	661	861	1526	1526	1526
HB 321	479	541	640	640	661	861	1526	1527	1527
HB 322	479	540							
HB 323	479	540							
HB 324	479	541							
HB 325	479	541							
HB 326	479	540	580	580	645				
HB 327	479	540	1133	1148	1199	1267			
HB 328	479	540	973	979	1154	1204			

HB 329	Requires distraint sale notice to landlord and all lienholders (Rausch).
HB 330	Changes capacity limits on distilled spirits containers (Buckman).
HB 331	Establishes effective date for circuit clerks' retirement participation (Buckman).
HB 332	Changes method of filling circuit clerk vacancies (Moloney).
HB 333	Establishes a four-year state college in Clinton or Cumberland County (Garner and others).
HB 334	Authorizes appointment of guards to protect hospitalized prisoners (Cottengim).
HB 335	Requires fencing of junkyards adjacent to highways (Ray).
HB 336	Revises the Uniform Support of Dependents Act (Ray).
HB 337	Increases public assistance payments and makes appropriation (Robinson).
HB 338	Limits city payroll taxes to one-and-one-half per cent (Ostertag).
HB 339	Repeals rural electric and telephone cooperative tax exemption (Ostertag).
HB 340	Establishes liquefied petroleum gas licensing provisions (Reynolds, Ray).
HB 341	Requires protection of railway employes affected by cessation of service (Dexter).
HB 342	Revises motor vehicle tax provisions (Irick and others).
HB 343	Requires taxation of exempt property when made available to profit enterprise (G. T. White).
HB 344	Increases jailers' fees for keeping and dieting prisoners (Colley, Ray).
HB 345	Increases vehicle mileage allowance to state employes (Ostertag).
HB 346	Authorizes public utility boards to condemn property (Garner and others).
HB 347	Provides for conditional expiration of mineral rights leases (Garner and others).
HB 348	Revises liquefied petroleum gas tax provisions (Reynolds, Ostertag).
HB 349	Revises county children's bureau provisions (Osborn).
HB 350	Repeals unfair cigarette sales provisions (Hinkle and others).
HB 351	Prohibits purchase or possession of alcoholic beverages by persons 18 to 21 years of age (Harris and others).
HB 352	Prohibits de facto notaries public and exercise of duties after commission expiration (Nichols).
HB 353	Establishes a fee for filing suit under the Uniform Support of Dependents Act (Buckman).

	Intro-duced	Re-ferred	Re-ported	Readings			Senate Message	En-rolled	Other Action
				1st	2nd	3rd			
HB 329	479	540							
HB 330	479	541	568	568	645	702	1412	1464	709, 1008, 1464
HB 331	479	541	679	694	859	902	1503	1517	1517
HB 332	479	541	621	621	661	860			
HB 333	479	540							
HB 334	479	540	717	738	901	1008			
HB 335	479	541	909	911	1004	1154			
HB 336	479	541	634	634	661	960			
HB 337	480	541	617						
HB 338	480	541	560	560	645	1418			1474
HB 339	480	541							
HB 340	480	541	621	627	661	960	1503	1517	1517
HB 341	480								
HB 342	480		909	912	1004	1155	1469	1475	1475
HB 343	480								
HB 344	480		679	679	859	1159	1522	1526	1523, 1526
HB 345	536								
HB 346	537								
HB 347	537								
HB 348	537		679	680	859	960	1503	1517	1517
HB 349	537		973	973	1154	1268			
HB 350	537								
HB 351	537		909	952	1004	1162			
HB 352	537								
HB 353	537								

HB 354	Increases circuit clerks' fees for state service in felony cases (Buckman).
HB 355	Increases motor vehicle operator's license fee (Buckman).
HB 356	Authorizes circuit or county clerks' fee for alcoholism commitment petitions (Buckman).
HB 357	Permits circuit clerks to refuse pleadings or papers without fee payment (Buckman).
HB 358	Authorizes state retirement credit to former county employes (Buckman).
HB 359	Increases circuit clerks' fees for collection of fines and forfeitures for the state (Buckman).
HB 360	Increases fee for motor carrier driver and chauffeur permits (Buckman).
HB 361	Requires circuit clerks to furnish vital statistics after divorce, marriage, adoption, or annulment (Buckman).
HB 362	Permits private use of certain non-explosive fireworks. (Murphy).
HB 363	Enacts the common law Rule Against Perpetuities (Hill).
HB 364	Requires $3 per day compensation of Senate and House pages (Ellis, Robinson).
HB 365	Authorizes first class cities to prohibit racial discrimination in public convenience establishments (Childress).
HB 366	Vests authority for county road planning and construction in Highway Department (Hardin and others).
HB 367	Requires advancement of court costs from plaintiffs in civil actions (Ellis).
HB 368	Requires payment of trial commissioners in the same manner as county judges (Ellis).
HB 369	Requires that county judges be paid in the same manner as magistrates (Ellis).
HB 370	Makes non-profit fire departments eligible for fire department aid (L. F. Morgan and others).
HB 371	Increases maximum truck weight limits (P. W. Cornett and others)
HB 372	Grants a charter to the Kentucky Historical Society (Barton).
HB 373	Permits incorporation of cooperative marketing associations (Peniston).
HB 374	Authorizes registration of certain vehicles as coal trucks for a fee of $4.50 (C. H. Martin and others).
HB 375	Revises provisions for judges in incompetency cases (Edmunds).
HB 376	Increases values in controversy in determining court jurisdiction (Colley).
HB 377	Authorizes compensation to zoning enforcement officers in other than counties with a first class city (Isler).

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 354	537		1208	1219	1265	1367			
HB 355	537								
HB 356	537		973	975	1154	1206			
HB 357	537		909	940	1004	1158	1523	1526	
HB 358	537		897	897	907	1010	1485	1502	1502
HB 359	537								
HB 360	537								
HB 361	537		897	899	907	1011	1503	1517	1517
HB 362	609								
HB 363	610								
HB 364	610								
HB 365	610								
HB 366	610		909	921	1004	1204	1501	1502	1502
HB 367	610								
HB 368	610								
HB 369	610								
HB 370	610		717	739	901	1006	1522	1523	1523
HB 371	610								
HB 372	610								
HB 373	610		679	692	859	903	1412	1464	1464
HB 374	610		1274	1292	1420				
HB 375	610		717	739	901	1162			
HB 376	610		717	742	901	959	1522	1523	1523
HB 377	610								

HB 378	Removes requirement that notaries public file in each county of operation (Nichols).
HB 379	Provides that a planning area may encompass an entire county (Ostertag).
HB 380	Extends planning commission jurisdiction to all unincorporated land in the planning area (Ostertag).
HB 381	Prohibits access to parental rights case files to other than parties to the action (Hill).
HB 382	Revises the legal relationship between adopted child and kindred of the birth parents (Hill).
HB 383	Creates a Commission on Public Education to study school problems (Ray, Osborn).
HB 384	Requires retroactive county tax assessment of oil and gas rights (Garner and others).
HB 385	Authorizes construction of National Guard armories at Campbellsville and other unit locations (Cowherd and others).
HB 386	Reduces minimum value in controversy for Court of Appeals cases (Ellis, Irick).
HB 387	Authorizes popular election on federal housing in other than first class cities (Robinson).
HB 388	Requires voter-approval of city housing bond issue (Neel).
HB 389	Revises provisions relating to abandoned property (Ray).
HB 390	Requires all firms to pay employes to a day not more than 18 days before payment date (Cottengim).
HB 391	Permits supervisors to recognize apprentices under an approved training program (Cottengim).
HB 392	Creates a Joint Legislative Advisory Committee (Ford and others).
HB 393	Revises juvenile court provisions (Clark and others).
HB 394	Prohibits fraudulent advertising (Osborn).
HB 395	Makes permissive the employment of dog wardens by fiscal courts (Qualls and others).
HB 396	Creates a Continuing Commission on Governmental Affairs to survey government operations (Barton and others).
HB 397	Permits small corporations to be exempt from corporation income tax (Nichols).
HB 398	Authorizes clerks and deputies for justices of the peace in counties with a second class city (Tanner and others).
HB 399	Establishes outdoor advertising licensing and regulation (Baumgardner).
HB 400	Increases fee allowed examining physicians in feeble-minded commitment cases (Osborn).
HB 401	Creates a Strip Mining and Reclamation Division in the Conservation Department (Caudill and others).

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 378	610								
HB 379	610								
HB 380	611								
HB 381	611								
HB 382	611								
HB 383	611		679	688	859	905	1422	1475	1462, 1475
HB 384	611								
HB 385	611		1133	1145	1199	1272	1522	1523	1523
HB 386	611								
HB 387	611								
HB 388	611								
HB 389	611		717	742	901	959	1511	1523	1515, 1523
HB 390	611		967	969	1154	1367			
HB 391	611		1133	1140	1199				
HB 392	611		679	690	859	1161	1522	1523	1523
HB 393	611								
HB 394	611		952	955	1004				
HB 395	611								
HB 396	648								
HB 397	648								
HB 398	648		679	695	859	1013	1522	1523	1523
HB 399	648								
HB 400	648								
HB 401	648		1073	1073	1199	1269	1501	1517	1270, 1501, 1504, 1517

HB 402	Increases automobile allowance for constables and deputies (Rausch, Quinn).
HB 403	Revises duty-hour schedule of firemen in first class cities (Davis, Cottengim).
HB 404	Reduces corporate tax rates and eliminates federal tax exemption (Ellis, Irick).
HB 405	Establishes salary limits for deputy constables in counties with a first class city (Rausch, Quinn).
HB 406	Increases maximum weight for tandem trucks (Harris).
HB 407	Requires cities to return owners' property when not used for public purposes (Cottengim).
HB 408	Provides for state referendum on capital punishment (Cottengim).
HB 409	Revises election method for county education boards (Denham).
HB 410	Requires police court trials between 9 a.m. and 4 p.m. (Ellis, Dowell).
HB 411	Requires high school education of school district education board candidates (Nolan).
HB 412	Makes optometrists' testimony qualified evidence in state optometry matters (Bates, Denham).
HB 413	Authorizes Municipal College Support Districts for counties with a second class city (Morgan, Miles).
HB 414	Requires insurance for state police motor vehicles (Nolan, Tanner).
HB 415	Prohibits municipal power boards from hiring engineers in the electrical business (Treas and others).
HB 416	Prohibits damage to highway plant life and dumping of debris on highways (Hislope and others).
HB 417	Removes Casey County from the sixth to the eighth Congressional District (Hislope and others).
HB 418	Requires newspaper editorials to show the writer's name. (Hislope and others).
HB 419	Requires blanket damage insurance for General Assembly members and employes (Irick and others).
HB 420	Requires party precinct chairmen to aid in presenting voter qualifications (Irick and others).
HB 421	Requires payment of school teachers over an 11 month period (Irick and others).
HB 422	Requires county treasurers to settle accounts within 30 days after fiscal year (Ray).
HB 423	Authorizes deputy constables for all counties (J. D. Smith).
HB 424	Authorizes sheriffs' fees for constables except for certain services (J. D. Smith).
HB 425	Prohibits use of school busses for other than transporting school children (J. E. White and others).

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 402	648		1208	1217	1265	1417	1523	1526	
HB 403	669								
HB 404	669								
HB 405	669		1170	1188	1265	1418	1523	1526	
HB 406	670								
HB 407	670		717	748	901	1006			
HB 408	670		679	680	859	1007			
HB 409	670		970	970	1154				
HB 410	670								
HB 411	670								
HB 412	670		1133	1151	1199				
HB 413	670		897	900	907	1012	1412	1464	1464
HB 414	670								
HB 415	670								
HB 416	670		679	694	859	1203	1526	1526	1526
HB 417	670								
HB 418	670								
HB 419	670								
HB 420	670								
HB 421	670								
HB 422	673		1170	1171	1265	1271	1485	1502	1502
HB 423	673								
HB 424	673								
HB 425	673								

HB 426	Authorizes loan companies in fourth class cities (V. Smith).
HB 427	Imposes tax on air transport company property and franchise (Hinkle, Robinson).
HB 428	Authorizes judgment of costs against the State in misdemeanor cases (Nichols, Lyon).
HB 429	Revises aeronautics regulatory provisions (Ray).
HB 430	Removes limit on receivers' and commissioners' compensation for court-ordered transactions (Parrish, Hinkle).
HB 431	Creates an Airport Development Commission for airport finance (Ray).
HB 432	Authorizes special vehicle license plates for radio amateurs (Robinson).
HB 433	Revises salary provisions for constables in counties of over 250,000 population (Quinn, Rausch).
HB 434	Deletes reference to state purchase of liability insurance for state aircraft (Ray).
HB 435	Requires that state alcoholic beverage revenues be expended in the counties of origin (Ostertag).
HB 436	Establishes a four-year state college in Floyd County. (Robinson).
HB 437	Revises the school foundation law (Colley and others).
HB 438	Revises absent voting provisions (Ray, Tanner).
HB 439	State agency reorganization bill (Ray).
HB 440	Authorizes by-law provision for election of rural cooperative utility trustees (Ellis, Irick).
HB 441	Prohibits traffic in misbranded hazardous substances (Ray).
HB 442	Authorizes school attendance credit for time spent in 4-H activities (Cole, Osborn).
HB 443	Requires surrender of telephone party lines in emergencies (Ellis, Irick).
HB 444	Prohibits conflict of interests between state officials and state matters (Tanner and others).
HB 445	Regulates traffic in amphetamine drugs (Ray, Denham).
HB 446	Regulates traffic in foods and drugs (Ray, Denham)..
HB 447	Authorizes petition for county election challengers (Osborn).
HB 448	Revises regular and primary election provisions (Osborn).
HB 449	Authorizes tax deductions for foreign insurance companies (Fitzpatrick).
HB 450	Authorizes creation of area planning commissions as political subdivisions (Fitzpatrick).
HB 451	Excepts only counties with a first class city from requirement of fiscal court maintenance of subdivision roads (Cottengim).
HB 452	Changes provision for disposition of dead cattle (Cottengim).
HB 453	Requires vertical exhaust on diesel powered vehicles (Cottengim).

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 426	673		897	898	907	1011	1503	1517	1517
HB 427	674								
HB 428	674								
HB 429	674		717	749	901	1154	1485	1502	1486, 1502
HB 430	674								
HB 431	674		717	776	901	1005	1485	1502	1485, 1502
HB 432	674								
HB 433	674		1170	1190	1265	1419	1526	1526	1469, 1526
HB 434	674		717	781	901	1005	1501	1502	1502
HB 435	674								
HB 436	674								
HB 437	674		1019	1019	1199	1416	1501	1502	1502
HB 438	674		717	782	901	1156	1469	1475	1475
HB 439	707		717	786	901	1009	1469	1475	1471, 1475
HB 440	707								
HB 441	707		717	821	901	1005	1503	1523	1516, 1523
HB 442	707		909	936	1004	1161	1523	1526	
HB 443	707								
HB 444	707		973	981	1154	1200	1501	1502	1502
HB 445	707		717	824	901	1004	1485	1502	1502
HB 446	707		717	826	901	1266	1503	1517	1517
HB 447	707								
HB 448	707								
HB 449	707		973	976	1154	1265			
HB 450	707		909	936	1004	1161	1503	1523	1516, 1523
HB 451	708		717	843	901	1010			
HB 452	708		1274	1291	1420				
HB 453	708								

HB 454	Exempts over 3 per cent of commercial electricity costs from the sales tax (Hislope and others).
HB 455	Authorizes county fiscal courts to impose restraining orders on city legislative bodies (Cook).
HB 456	Exempts sewer construction districts from metropolitan sewer district regulation (Lowman, Ray).
HB 457	Revises workmen's compensation provisions (Colley and others).
HB 458	Establishes a maximum limit on the trailer park tax (Isler).
HB 459	Requires school district education board candidates to have two years of high school (Brizendine, Bates).
HB 460	Requires superintendent's recommendation for school employe transfers (Caudill and others).
HB 461	Increases salaries of state agency commissioners (A. C. Smith).
HB 462	Authorizes establishment of Congressional Medal of Honor markers (A. C. Smith and others).
HB 463	Revises terms of rural utility cooperative trustees (Dobyns and others).
HB 464	Authorizes joint operation of water supply sources by two or more cities or water districts (Murphy, Fitzpatrick).
HB 465	Authorizes establishment of a state-wide fire prevention system (Nichols).
HB 466	Corrects inconsistencies between the Uniform Commercial Code and the Kentucky Revised Statutes (Ray).
HB 467	Requires conduct of government agency business at open meetings (Wathen, Ford).
HB 468	Creates an Airport Development Commission for airport finance (Ray).
HB 469	Prohibits off-highway travel in forests during dry periods (Ray).
HB 470	Establishes controls for forest pests (Ray).
HB 471	Revises watershed conservancy districts provisions (Ray).
HB 472	Authorizes workmen's compensation coverage for National Guard members (Ray).
HB 473	Revises agricultural pest and weed control provisions (Ray, Nichols).
HB 474	Authorizes execution sales on the premises (Bates).
HB 475	Revises sanitation district boards of directors provisions (Isler).
HB 476	Requires payment of unused county officials' fees to fiscal court (Moloney, Osborn).
HB 477	Requires a minimum of $5,000 on justices' bonds (Colley).
HB 478	Authorizes water districts to finance, construct, and operate sewer systems (Osborn, Moloney).

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 454	708								
HB 455	708		717	843	901	1007			
HB 456	708		717	843	901	1012	1503	1517	1517
HB 457	708		717	843	901	1167	1485	1502	1168, 1169, 1502
HB 458	862								
HB 459	862								
HB 460	862		973	977	1154	1368			
HB 461	862		1274	1287	1420	1465			
HB 462	862		1170	1187	1265	1419			
HB 463	862		967	967	1154				
HB 464	862		909	941	1004	1163	1422	1475	1475
HB 465	862								
HB 466	862		909	922	1004	1156	1485	1502	1502
HB 467	862		909	948	1004	1367			
HB 468	863								
HB 469	863		909	924	1004	1157	1485	1502	1502
HB 470	863		909	925	1004	1157	1485	1502	1502
HB 471	863		909	927	1004	1157	1485	1502	1502
HB 472	863		1170	1172	1265	1272	1522	1523	1523
HB 473	863								
HB 474	863		1133	1151	1199	1267			
HB 475	906								
HB 476	906		909	951	1004	1162	1526	1526	1526
HB 477	906		1208	1214	1265	1419	1526	1527	1527
HB 478	906								

HB 479	Increases weight taxes on motor carriers acting as U-Drive-Its (Buckman).
HB 480	Authorizes special number motor vehicle license plates (Roberts).
HB 481	Authorizes public improvements by first class cities in the manner of other cities (Cook, Cottengim).
HB 482	Authorizes group life insurance for professional associations (Moloney).
HB 483	Requires county insurance premiums tax in lieu of occupational tax (Quinn and others).
HB 484	Creates the office of Higher Education Comptroller for continuous audit of funds (Cole).
HB 485	Creates an Executive Mansion Committee for supervision of the building (Farmer and others).
HB 486	Changes state employes' retirement date (Ellis).
HB 487	Prohibits Vital Statistics birth registration of children born outside the state (Denham).
HB 488	Increases justices' salary maximum in counties of less than 250,000 (Isler).
HB 489	Requires vertical exhaust on passenger busses (Henry).
HB 490	Exempts non-profit cemetery income from taxation (Roberts, A. C. Smith).
HB 491	Requires selection of consecutively listed names for jury service (Lyon).
HB 492	Authorizes Yield-Right-of-Way signs at highway intersections (Ray).
HB 493	Repeals provisions regarding method of Highway Department employes' payment (Ray).
HB 494	Authorizes Highway Department to fight Johnson Grass on right of ways (Ray).
HB 495	Revises Racing Commission provisions (Moloney, Ray).
HB 496	Increases the number of juridical days in the 24th Judicial District (Dobyns and others).
HB 497	Revises motor vehicle tax provisions (Ray).
HB 498	Provides for referendum on state bond issue for highways and parks (Ray).
HB 499	Authorizes establishment of Urban Service Districts for municipal services (Osborn, Moloney).
HB 500	Prohibits recruiting of employes during labor strike or lockout (Qualls).
HB 501	Authorizes annual salary for county commissioners serving on fiscal courts (Lowman).
HB 502	Requires disqualification notice to voters by registration boards (Ford).
HB 503	Requires that employes' liens attach to owner's property used by employes (Robinson and others).

	Intro-duced	Re-ferred	Re-ported	Readings 1st	2nd	3rd	Senate Message	En-rolled	Other Action
HB 479	906		1274	1291					
HB 480	906		1274	1298	1420	1468	1526	1526	1526
HB 481	906		909	941	1004	1159	1526	1527	1527
HB 482	906		1274	1292	1420				
HB 483	906								
HB 484	906								
HB 485	906		972	972	1154	1204	1485	1502	1502
HB 486	907								
HB 487	907								
HB 488	907								
HB 489	908								
HB 490	908		1170	1187	1265				
HB 491	908		973	978	1154	1202			
HB 492	908		973	983	1154	1200	1485	1502	1502
HB 493	908		973	981	1154	1201	1485	1502	1502
HB 494	908		973	985	1154	1201	1485	1502	1502
HB 495	908		973	986	1154	1272	1503	1517	1517
HB 496	908		973	992	1154				
HB 497	908		1131	1131	1199	1273	1503	1517	1358, 1415,
HB 498	908		973	994	1154	1201			
HB 499	961		1208	1214	1265	1367	1503	1517	1517
HB 500	961		1170	1186	1265	1365			1468
HB 501	1013								
HB 502	1013		1133	1146	1199	1274	1503	1517	1517
HB 503	1014								
									1517

HB 504	Deletes specified prohibitions against employment of minors (Osborn).
HB 505	Revises property, motor vehicle, and alcoholic beverage taxes (Ray).
HB 506	Requires provisional motor vehicle operator's license for persons under age 18 (Roberts, Cook).
HB 507	Revises University of Kentucky Board of Trustees provisions (Osborn).
HB 508	Requires annual audit of all boards of education in the state (Nolan).
HB 509	Revises sewer districts provisions (Quinn).
HB 510	Prescribes election methods for precinct committeemen (Ford).
HB 511	Authorizes annual salary for circuit court comissioners and receivers in counties with a first class city (Quinn and others).
HB 512	Authorizes publication of public notices by radio broadcast (Hardin).
HB 513	Authorizes public auction of prison-manufactured articles (Moorman).
HB 514	Transfers Hindman to the fifth class of cities (Robinson).
HB 515	Authorizes school closures for specified causes without forfeiture of foundation program participation (Hinkle).
HB 516	Authorizes execution of public securities by facsimile signature (Ray).
HB 517	Authorizes use of school funds for motor vehicle liability insurance (Ray).
HB 518	Adds two faculty members to the University of Kentucky Trustees Board (Ray).
HB 519	Removes fees charged for teachers' certificates (Ray).
HB 520	Adds TVA obligations to securities authorized for public investments (Ray).
HB 521	Provides for free textbooks in state college practice schools (Ray).
HB 522	Authorizes Highway Commissioner to establish speed limits on limited access highways (Ray).
HB 523	Increases maximum risk valuation assumed by the State Fire and Tornado Fund (Ray).
HB 524	Authorizes merger of independent and county school districts (Cook).
HB 525	Authorizes merger of independent and county school districts (Cook).
HB 526	Revises unemployment compensation provisions (Ray).
HB 527	Revises board of education insurance funds provisions (Ray).
HB 528	Requires free textbooks for grades 9 through 12 in the state college practice schools (Ray).

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 504	1014		1208	1217	1265	1366			
HB 505	1014		1019	1029	1199	1416	1501	1502	1502
HB 506	1014		1133	1139	1199	1265			
HB 507	1014								
HB 508	1014		1133	1149	1199	1468			
HB 509	1014		1274	1294	1420	1464	1522	1523	1523
HB 510	1014		1274	1281	1420				
HB 511	1014		1133	1151	1199	1268	1503	1523	1516, 1523
HB 512	1014		1274	1299	1420	1467			
HB 513	1163		1170	1187	1265	1418			
HB 514	1163		1208	1218	1265	1365			
HB 515	1163								
HB 516	1163		1170	1172	1265	1362	1503	1517	1517
HB 517	1163		1170	1173	1265	1362	1501	1502	1502
HB 518	1163		1170	1173	1265	1362			
HB 519	1163		1170	1175	1265	1363	1501	1502	1502
HB 520	1163		1170	1175	1265	1363	1526	1527	1527
HB 521	1163		1170	1176	1265	1363	1501	1502	1502
HB 522	1164		1170	1178	1265	1364			
HB 523	1164		1170	1178	1265	1364	1501	1502	1502
HB 524	1164								
HB 525	1164								
HB 526	1164		1170	1179	1265				
HB 527	1164								
HB 528	1164								

HB 529	Authorizes Finance Commissioner to secure blanket bonds on departmental basis (Ray).
HB 530	Authorizes income tax exemption for children attending higher learning institutions (Colley).
HB 531	Authorizes jailer's fee for keeping prisoners held on fugitive warrants (Hislope).
HB 532	Reduces distilled spirits tax (Buckman).
HB 533	Authorizes search and seizure of motor vehicles without a warrant (Chumbler).
HB 534	Authorizes construction of automobile drag racing strips (Irick, Ellis).
HB 535	Establishes regulations for public health sanitarians (Ray).
HB 536	Exempts Holy Bibles from the sales tax (Hislope).
HB 537	Authorizes municipal acquisition of specified property for urban redevelopment (Osborn).
HB 538	Requires bond for persons guilty of check fraud (Barton).
HB 539	Requires coterminous boundaries for merger of an independent with a county school district (Cook).
HB 540	Prohibits pinball machines near school premises (Wood).
HB 541	Requires filling or covering of abandoned excavations (Hahn).
HB 542	Authorizes response to critical newspaper items (Robinson).
HB 543	Requires cemeteries to establish merchandise trust funds (Neel).
HB 544	Authorizes teacher reimbursement for school closure time (Robinson).
HB 545	Authorizes referendum on county public health taxing districts (Lowman).
HB 546	Authorizes disabled voters ballots (Murphy).
HB 547	Requires division of counties into three justices' districts (Lyon).

	Introduced	Referred	Reported	Readings			Senate Message	Enrolled	Other Action
				1st	2nd	3rd			
HB 529	1164		1170	1182	1265	1364	1503	1517	1517
HB 530	1207								
HB 531	1207		1208	1250	1265	1366			
HB 532	1207								
HB 533	1207								
HB 534	1207								
HB 535	1207		1274	1289	1420	1462	1522	1523	1523
HB 536	1207								
HB 537	1207								
HB 538	1207		1274	1290	1420	1464			
HB 539	1207								
HB 540	1207								
HB 541	1207		1274	1299	1420	1463			
HB 542	1269								
HB 543	1269		1274	1285	1420				
HB 544	1269								
HB 545	1354		1274	1308	1420				
HB 546	1354								
HB 547	1420								

HISTORY OF HOUSE RESOLUTIONS

Numbers refer to page of House Journal. Text of resolution is given on first reading or adoption. Joint resolutions are designated HJR; concurrent resolutions are designated HCR.

HR	1	Adopts 1958 House rules temporarily for the 1960 session
HR	2	Invites Frankfort pastors to open sessions with prayer (Ray).
HR	3	Authorizes appointment of a special rules committee (Ray).
HR	4	Provides for a committee to wait upon the Governor (Ray).
HCR	5	Adjournment January 6, 1960, until January 11, 1960 (Ray).
HR	6	Extends condolences to Harry M. Caudill (Ray).
HJR	7	Makes an appropriation to the Legislative Research Commission (Ray).
HCR	8	Requests federal status for Kentucky Highway 80 (J. D. Smith).
HJR	9	Orders additional highway signs prohibiting littering. (Brizendine, Robinson).
HCR	10	Urges congressional removal on state old-age assistance payments limits (B. B. Cornett and others).
HJR	11	Requests Public Service Commission gas rate study in Knott County (B. B. Cornett and others).
HR	12	Invites Dr. N. Burnett Magruder to open January 25 session with prayer (Ray).
HCR	13	Adjournment in memory of William "Banjo Bill" Cornett (Hislope, Henry).
HCR	14	Adjournment in memory of William "Banjo Bill" Cornett (Ray).
HJR	15	Directs that 5 per cent of highway work force be colored personnel (Render).
HR	16	Memorializes Congress to extend Public Law 550. (Hinkle).
HR	17	Requires list of persons receiving compensation from appropriation to the General Assembly (Cook, Ford).
HR	18	Requests appointment of minority party to committee chairmanships (P. W. Cornett).
HCR	19	Creates a legislative districts study committee (Fitzpatrick).
HR	20	Requests preliminary surveys for the Rockcastle River Dam (Hays and others).
HJR	21	Authorizes payment of per diem and expenses due William "Banjo Bill" Cornett (Ray).
HR	22	Adjournment in recognition of Mrs. David Roark and James D. Snider (Brizendine and others).
HJR	23	Directs investigation of methods of establishing gas rates (Robinson).

		Introduced	Referred	Reported		Readings		Adopted	Enrolled	Senate Message	Other Action
					1st	2nd	3rd				
HR	**1**	7						7			
HR	**2**	7						7			
HR	**3**	7						8			
HR	**4**	8						8			
HCR	**5**	15						15		16	
HR	**6**	15						16			
HJR	**7**	17	17	34	34	40	48	49	82	82	82
HCR	**8**	17						17		156	
HJR	**9**	17	17					72	171		
HCR	**10**	36	37	53				54	171		
HJR	**11**	36	37	53				54			
HR	**12**	36						37			
HCR	**13**	38						40		48	
HCR	**14**	39									40
HJR	**15**	49	55								
HR	**16**	54	73	67	67	79	135	135			
HR	**17**	56	72								
HR	**18**	56									56
HCR	**19**	74	73								
HR	**20**	74						75			
HJR	**21**	80	135	588	589	645	701	701	1170	967	1170
HR	**22**	76						76			
HJR	**23**	80	135								

HCR	24	Requests inclusion of Johnson grass control as cost sharing practice in county agricultural program (Garner and others).
HR	25	Honors the memory of the late Earl Bradley (Davis).
HR	26	Orders a report on "sleepers" and "riders" on state payrolls (Tanner).
HCR	27	Memorializes Congress to create a coal research agency (Colley).
HCR	28	Extends greetings to the Soil Conservation Association (A. C. Smith and others).
HCR	29	Requests annual grants to schools for the retarded (Robinson).
HCR	30	Requests appropriation to the Association for Retarded Children (Robinson).
HR	31	Urges increase in payments to needy aged (Garner and others).
HJR	32	Orders a study of mosquito control programs (Nichols and others).
HR	33	Makes honorable mention of Carl Russman (Osting).
HR	34	Requests Kentucky Medical Association assistance in securing a doctor at Olive Hill (Qualls).
HCR	35	Encourages observance of land-grant education anniversary (Osborn).
HR	36	Adjournment in honor of Franklin D. Roosevelt (Isler).
HCR	37	Requests a more liberal federal aid highway policy (Ray).
HJR	38	Orders construction of a museum at Boonesboro (Hinkle).
HR	39	Memorializes TVA on the advantages of southeastern Kentucky location (Colley).
HCR	40	Adjournment in honor of Sidney Johnson Collins (Fern).
HR	41	Invites Reverend Russ Whealdon to open session with prayer (Wood).
HJR	42	Orders removal of William Goebel statue to an Old Capitol site (Ellis and others).
HR	43	Authorizes a safety belt for the Speaker's chair (Hislope, Castle).
HR	44	Commends the Kentucky Press Association for selecting Dr. Adron Doran as man of the year (Qualls and others).
HJR	45	Orders payment of legal fees to the Rocky Creek Lake Club (Young and others).
HCR	46	Requests discouragement of candy and soft drink sales on school premises (Osting and others).
HR	47	Urges financial assistance for the Association for Retarded Children (Robinson).
HCR	48	Establishes a legislative districts study committee (Fitzpatrick).

		Introduced	Referred	Reported		Readings		Adopted	Enrolled	Senate Message	Other Action
					1st	2nd	3rd				
HCR	24	80						81		285	
HR	25	132						133			
HR	26	136	153								
HCR	27	137						137		651	
HCR	28	138						138		651	
HCR	29	153	159								
HCR	30	154	159								
HR	31	154	159								
HJR	32	154	159	909	951	1004	1060	1060	1517	1503	1517
HR	33	155						156			
HR	34	155						155			
HCR	35	156						156		242	
HR	36	160						160			
HCR	37	169									
HR	38	169	230								
HR	39	169						170			
HCR	40	170						170		239	
HR	41	170						170			
HR	42	231	239	621	621	661					
HR	43	230						231			
HR	44	231						232			
HJR	45	238	263	909	928	1004					
HCR	46	238						242			
HR	47	239						243			
HCR	48	239	263								

HR	49	Requests establishment of a two-year state college in Whitesburg (Caudill).
HR	50	Requests investigation of need of a four-year college in eastern Kentucky (Robinson).
HR	51	Creates a Governor's Mansion investigation committee (Edmunds).
HR	52	Invites Reverend J. R. Tackett to open session with prayer (Roberts).
HCR	53	Orders study of establishment of a home for illegitimate children (Hislope and others).
HR	54	Memorializes Conservation Department on southeastern Kentucky advantages for a tree nursery site (Faulkner).
HR	55	Creates a committee to investigate the Department of Education (Cook and others).
HCR	56	Requests appropriation to the Kentucky Civil Air Patrol (Osborn and others).
HR	57	Requests establishment of a tuberculosis hospital in Whitesburg (Caudill).
HCR	58	Requests observance of National 4-H Week (Cole, Osborn).
HJR	59	Appropriates $100,000 for establishing Rocky Creek State Park (Hahn and others).
HCR	60	Memorializes Congress to prohibit alcoholic beverage advertisement in interstate media (Hislope and others).
HR	61	Creates a committee to wait upon the Governor (Ray).
HCR	62	Takes notice of the Henderson sesqui-centennial celebration (Neel).
HJR	63	Directs marking of the Jenny Wiley grave (Robinson and others).
HJR	64	Requests federal assistance in collecting sales taxes on military posts (Cole and others).
HCR	65	Orders establishment of Rocky Creek State Park (Hahn and others).
HR	66	Memorializes the death of George Terry (Davis and others).
HR	67	Invites Reverend Carl Rucker to open session with prayer (Hill).
HR	68	Memorializes Congress to issue a Jefferson Davis stamp (Barton and others).
HCR	69	Creates a commission to study the development of higher learning centers (Osborn).
HCR	70	Memorializes Congress to provide funds for constructing Cave Run Reservoir (Denham, Stacy).
HR	71	Requests use of local labor for eastern Kentucky road work (J. D. Smith).
HCR	72	Orders construction of Piney-Clifty Lake (Edmunds, Nichols).

HISTORY OF HOUSE RESOLUTIONS

		Introduced	Referred	Reported		Readings		Adopted	Enrolled	Senate Message	Other Action
					1st	2nd	3rd				
HR	49	262						262			
HR	50	287						287			
HR	51	286						286			
HR	52	287						287			
HCR	53	306	328	456	456			613		864	
HR	54	313						316			
HR	55	314						315			
HCR	56	330						332			
HJR	57	316						316			
HCR	58	331						331			
HJR	59	382	420								
HCR	60	382	420								
HR	61	382						380			
HCR	62	389						389		864	
HR	63	453	478	588	588	645	701	701	1274	1169	1274
HJR	64	423						423		1270	
HCR	65	423						423		709	
HR	66	422						422			
HR	67	454						455			
HR	68	455						456			
HR	69	480	540								
HCR	70	480						650		864	
HR	71	482						482			
HCR	72	481						482		651	

HR	73	Orders the Legislative Research Commission to secure state liquor store information (Cottengim).
HR	74	Orders a list of persons employed by the General Assembly (F. H. Morgan).
HCR	75	Memorializes Congress to amend tobacco allotment laws (A. C. Smith).
HR	76	Adjournment in memory of Reverend Morris Coers (Murphy and others).
HR	77	Requests an executive order extending motor vehicle license deadline (Colley).
HR	78	Adjournment in memory of Mrs. Cora L. Sturgill (Robinson).
HJR	79	Orders payment of claim to the Robert D. Markel estate (Neel).
HJR	80	Appropriates $20,424 to General Assembly officers and employes (Fitzpatrick and others).
HR	81	Requests establishment of a University of Kentucky extension center at Somerset (Hislope).
HR	82	Petitions Congress to consider benefits for World War I veterans (Fitzpatrick).
HR	83	Requests investigation of the Lee Hacker Memorial as a state park site (J. E. White).
HR	84	Orders determination of the number of Republican state employes (Burress and others).
HR	85	Invites Reverend Morris Mounts to open session with prayer (Colley).
HR	86	Invites Reverend J. Edward Cayce to open session with prayer (Nichols).
HJR	87	Orders a study of food, clothing, medical, and funeral expenditures in the state (Isler).
HCR	88	Orders a study of the office of sheriff and of county police function allocation (Isler).
HCR	89	Urges the Governor to transfer funds to the Louisville Free Children's Hospital (Miller and others).
HR	90	Requests the return of Senate Bill 82 (Ray).
HR	91	Honors education essay contest winners (Hislope, Robinson).
HCR	92	Requests Congress to credit state taxes against federal distilled spirits tax (Isler).
HR	93	Requests highway signs regarding Breaks Interstate Park (Colley).
HCR	94	Directs establishment of a state park in Allen County.
HJR	95	Directs a study of educational television (Lowman, Ray).
HCR	96	Compliments Eastern Kentucky Tourist Industries Council (Dobyns and others).

		Intro- duced	Re- ferred	Re- ported	Readings 1st	2nd	3rd	Adopted	En- rolled	Senate Message	Other Action
HR	73	482						483			
HR	74	482									
HCR	75	483						484		651	
HR	76	540						540			
HR	77	612						612			
HR	78	612						613			
HJR	79	648		967	969	1154	1205	1205	1523	1511	1523
HJR	80	670		1170	1188			1359			1524
HR	81	650						651			
HR	82	649						650			
HR	83	674						677			
HR	84	674									
HR	85	671						672			
HR	86	671						671			
HJR	87	708									
HR	88	708		973	979	1154	1203	1203			
HCR	89	704						705			
HR	90	700						700			
HR	91	712						713			
HCR	92	713						714			
HR	93	710						711			
HCR	94	710						710		967	
HJR	95	863		909	909	1004	1058	1158		1522	
HCR	96	711						712		967	

HR	97	Expresses sympathy to the family of Charles Lugannani (Isler and others).
HCR	98	Requires bracket enclosure of changes in printed bills (Robinson and others).
HJR	99	Requests establishment of a state park at Falls of Rough (Render and others).
HCR	100	Opposes rescission of the Connally Amendment to the World Court Resolution (Osborn).
HR	101	Adjournment in memory of Reuben D. Petrie and Maude Roper Petrie (Hampton, Young).
HR	102	Invites Reverend C. C. Richardson to open session with prayer (Childress).
HR	103	Commends Fort Thomas for its municipal administration record (Ostertag, Murphy).
HR	104	Requests expenditure outline from the Superintendent of Public instruction (A. C. Smith and others).
HJR	105	Orders a study of planning and zoning laws (Ray).
HCR	106	Urges state equipment purchases from Industries for the Blind (Osting).
HCR	107	Extends appreciation to the Governor and state agencies for session assistance (A. C. Smith, V. Smith).
HCR	108	Commends the Western State College basketball team (Render and others).
HR	109	Adjournment in honor of Donald Turner (Ray).
HJR	110	Orders a study of school district laws (Robinson).
HR	111	Adjournment in memory of Charles "Buck" Spencer (Cottengim).
HCR	112	Requires inventory of General Assembly property (Ray).
HCR	113	Commends the Louisville and Nashville Railroad (Moorman and others).
HR	114	Commends the Governor and the Louisville and Nashville Railroad (Osborn and others).
HR	115	Commends the Cherokee District of the Dan Beard Council of Boy Scouts (Ostertag).
HCR	118	Invites the Woodmen of the World Insurance Society to the Kentucky Training Home (Bates).
HCR	117	Memorializes the Corps of Engineers to study the Marshall County swamp drainage ditch (Chumbler).
HCR	118	Invites the Woodmen of hte World Insurance Society to establish headquarters in Kentucky (Ray).
HCR	119	Requires a study of establishing the position of General Assembly Parliamentarian (Fitzpatrick).
HR	120	Condemns the attack on the House Education Investigating Committee (Cowherd and others).
HCR	121	Requests consideration of a state park at Raven's Rock on Pine Mountain (Hall).

		Introduced	Referred	Reported		Readings		Adopted	Enrolled	Senate Message	Other Action
					1st	2nd	3rd				
HR	97	864						864			
HCR	98	906									
HJR	99	965						966		1501	
HCR	100	963						964			
HR	101	962						962			
HR	102	963						963			
HR	103	964						965			
HR	104	966						967			
HJR	105	1164						1477		1522	
HCR	106	1018						1018		1503	
HCR	107	1018						1019			
HCR	108	1016						1016			
HR	109	1017						1018			
HJR	110	1207									
HR	111	1165						1165			
HCR	112	1205						1206			
HCR	113	1207									
HR	114	1166						1167			
HR	115	1262						1263			
HR	116	1207									
HCR	117	1264						1264			
HCR	118	1263									
HCR	119	1263						1264			
HR	120	1270						1271			
HCR	121	1356						1358			

HR	122	Commends the Clinton County High School basketball team (Hall).
HCR	123	Requests appointment of a junior college study commission (Osborn).
HR	124	Commends the Meade Memorial High School basketball team (Robinson, Castle).
HR	125	Urges a special General Assembly session to amend the sales tax and veterans' bonus (Hislope).
HR	126	Appoints Dr. Mitchell B. Denham as House physician (Lowman, Haley).
HR	127	Appoints A. E. "Doc" Tucker as House pharmacist (Lowman, Hampton).
HCR	128	Urges Congress to provide a dam at Bunche's Creek on the Cumberland River (Faulkner, Clark).
HCR	129	Authorizes additional copies of the Legislative Record (Fields).
HCR	130	Requests erection of markers for persons holding the Congressional Medal of Honor (A. C. Smith, P. W. Cornett).
HR	131	Commends House Speaker Harry King Lowman (Robinson and others).
HR	132	Expresses regret that St. Patrick's Day entertainment was not presented (Render).
HR	133	Urges House members to see the "Stephen Foster Story" (Houtchens).
HR	134	Commends House members and persons connected with the 1960 session (Irick).
HR	135	Asks allocation of $50,000 for Blue Lick Park swimming pool (Fern and others).
HR	136	Requests a study of political parties (Ford).
HCR	137	Memorializes Congress to enable the state to revise illegitimate children's assistance (Barton and others).
HR	138	Requests Harry King Lowman to run for United States Senator (Robinson, Wathen).
HCR	139	Requests stamping of unused printed bills with final disposition (Caudill).
HR	140	Commemorating the passing of deceased General Assembly members (Houtchens).
HR	141	Orders a study of the sales tax yield (Tanner).
HR	142	Orders a study of the General Assembly personnel system (Tanner).

		Introduced	Referred	Reported	Readings 1st	Readings 2nd	Readings 3rd	Adopted	Enrolled	Senate Message	Other Action
HR	122	1359						1360			
HCR	123	1360						1361			
HR	124	1408						1409			
HR	125	1422						1423			
HR	126	1421						1421			
HR	127	1423						1424			
HCR	128	1424						1425		1526	
HCR	129	1482						1482		1526	
HCR	130	1475						1476		1503	1515
HR	131	1495						1495			
HR	132	1485						1485			
HR	133	1521						1522			
HR	134	1519						1519			
HR	135	1522									
HR	136	1519						1519			
HCR	137	1518						1519		1526	
HR	138	1509									1509
HR	139	1517						1518		1526	
HR	140	1519						1520			
HR	141	1520						1521			
HR	142	1521						1521			

HISTORY OF SENATE BILLS

Numbers refer to page of House Journal. The text of bill is given on 1st reading.

SB	1	Increases membership of County Health Boards from five to six.
SB	2	Increases membership of State Board of Health from nine to ten.
SB	3	Authorizes small corporations to elect treatment as partnership for Kentucky Income Tax.
SB	8	Adds prison confinement for life without parole to punishments for willful murder.
SB	10	Changes from 5 to 3 days period within which election certificates must be filed.
SB	12	Permits cities and counties to acquire cemetery for war memorials.
SB	14	Provides maximum penalty for destruction of property by explosion.
SB	15	Increases compensation of person returning fugitive to State.
SB	16	Requires records of termination of parental rights to be confidential.
SB	23	Abolishes mandatory equal division of commissions between resident and non-resident insurance agents.
SB	24	Requires polio vaccination as prerequisite to enrollment of all school children.
SB	26	Changes time limit on refiling for discontinued occupational disease allowances.
SB	28	Eliminates Federal in lieu payments in computing local tax effort for school foundation program.
SB	31	Abolishes Highway Advisory Commission and increases salaries of public officials.
SB	32	Abolishes Board of Claims and creates new board with increased membership.
SB	33	Specifies prohibited marriages and establishes minimum age of persons for valid marriage.
SB	36	Authorizes 1st, 2nd and 3rd class cities to regulate persons engaged in electrical work.
SB	37	Authorizes Higher Education Council to make loans to resident students.
SB	38	Empowers cities and counties to plan and zone incorporated areas jointly.
SB	40	Changes requirements for detailing contributions to limited partnerships.

HISTORY OF SENATE BILLS

		Senate Message	Re- ferred	Re- ported	Readings			En- rolled	Other Action
					1st	2nd	3rd		
SB	1	137	153	227	227	237	242	288	288
SB	2	137	153	227	228	237	242	288	288
SB	3	1270		1368	1378	1461			
SB	8	82	135	644					
SB	10	283	305	416	416	446	534	668	668
SB	12	156	218	256	261	282	303	331	331
SB	14	82	135	417	417	446	535	609	609
SB	15	133	153	335	365	417	449	538	538
SB	16	133	153						
SB	23	171	230						
SB	24	390	478	534					535
SB	26	232	239	531	531	605	666	709	709
SB	28	156	218	621	627	661			
SB	31	133	153	148	148	158	167	226	
SB	32	242	305	335	335	417	609	668	470, 668
SB	33	143	158	235	237	262	284	315	315
SB	36	709		1133	1143	1199	1500	1502	1502
SB	37	171	230						
SB	38	156	218						
SB	40	171	230	1170	1190	1265	1499	1502	1502

SB	41	Changes method of transferring motor vehicle registration.
SB	42	Establishes annexation procedures for cities of first three classes.
SB	44	Creates Commission for Handicapped Children to replace Crippled Children's Commission.
SB	45	Changes maximum salary of Commonwealth's Attorney district detective.
SB	46	Requires certificate from county coroner before cremation of person dying in State.
SB	49	Changes list of property exempt from execution, attachment, garnishment distraint, and fee-bill.
SB	50	Allows counties with city of 2nd class to finance law libraries from court costs.
SB	52	Changes authorization for monthly pension allowances to employes of cities of second class.
SB	53	Changes qualifications of applicants for civil service employment in cities of second class.
SB	54	Removes limitation of 5 cents per hour on parking meter fees in cities of second class.
SB	55	Changes authorization and procedure for annexation of contiguous territory by cities of first or second class.
SB	57	Changes per capita guarantee to school districts.
SB	58	Authorizes school boards to purchase liability insurance.
SB	60	Increases salaries of public officers.
SB	68	Authorizes education superintendents to grant leaves of absence to teachers.
SB	71	Relates to proceeds from leases by counties for Ohio riverbed development.
SB	72	Extends list of exceptions to maximum debt of one person to bank.
SB	73	Extends list of permissible investments by banks.
SB	74	Extends list of permissible investments by insurers.
SB	75	Extends list of permissible investments by fiduciary.
SB	76	Authorizes suits against partnerships.
SB	81	Authorizes assistance of blind voters by persons of their choice.
SB	82	Restricts area of operation of sanitation districts.
SB	84	Restricts use of tax-exempt gasoline to farm machinery.
SB	86	Extends the definition of public utility water districts.
SB	87	Provides for disposition of first class city sinking funds.
SB	88	Increases gross weight limit of farm truck.
SB	89	Reclassifies hit and run driving offense as a felony.
SB	91	Expands judicial services of 30th Circuit Court district.

	Senate Message	Re-ferred	Re-ported	Readings			En-rolled	Other Action
				1st	2nd	3rd		
SB 41	232	239	256	257	282	304	538	303, 419, 538
SB 42	331	478						
SB 44	221	230	308	308	326	607	668	333, 457, 469, 668
SB 45	424	478						
SB 46	379	478	533	533	605	697	864	864
SB 49	1270							
SB 50	232	239	368	368	417	451	538	538
SB 52	232	239	256	260	282	304	331	331
SB 53	232	239	256	261	282	304	331	331
SB 54	232	239	256	257	282	305	331	331
SB 55	864							
SB 57	424	478	1368	1391	1461			
SB 58	539		897	899	907			
SB 60	307	329	335	366	417	449	538	538
SB 68	1412		1425	1438	1484	1513	1523	1523
SB 71	331	478						
SB 72	1169		1170	1191	1265	1498	1502	1502
SB 73	1169		1170	1192	1265	1498	1502	1502
SB 74	1169		1170	1193	1265	1498	1502	1502
SB 75	1169		1170	1193	1265	1499	1502	1502
SB 76	242	305						
SB 81	283	305	311	311	326	333	451	451
SB 82	242	305	558	558	645	669	1160	675, 700, 706, 709, 1160
SB 84	671		1133	1147	1199	1491	1502	1502
SB 86	464	478	952	956	1004	1500	1504	1504
SB 87	307	329						
SB 88	1169		1368	1407	1461	1507	1523	1523
SB 89	379	478	1368	1406	1461			
SB 91	331	478	634	639	661	902	862	862

SB 92	Increases maximum penalty for littering highways to $300.
SB 93	Authorizes acceptance of Federal grants by Department of Agriculture, Labor and Statistics.
SB 96	Removes limitation on fees for rules governing law practice.
SB 97	Extends social security to public junior college employees.
SB 99	Authorizes creation of auxiliary police force by cities of 2nd class.
SB 102	Establishes a public junior college at Elizabethtown.
SB 104	Prohibits use of any device by unauthorized person to obtain credit.
SB 105	Revises terms of 19th Judicial District circuit courts.
SB 106	Transfers Fort Wright to the fourth class of cities.
SB 109	Prohibits incorporation of city within 3 miles of 1st or 2nd class city.
SB 110	Changes requirements of governmental units for the establishment of library services.
SB 111	Requires bicycles to be operated on left side of traveled roadway.
SB 112	Changes qualifications of embalmers and membership of Board of Embalmers.
SB 113	Establishes regulatory procedure over sale of agriculture limestone.
SB 114	Prohibits the solicitation of legal business by attorneys.
SB 116	Requires signature of person preparing corporate organization or dissolution papers before recording.
SB 118	Establishes Prevailing Wage Board to set wages paid to workers on public projects.
SB 119	Authorizes circuit court domestic relations advisory committees.
SB 121	Requires licensing and inspection of pharmacies.
SB 124	Changes procedure for summoning jurors in criminal cases.
SB 126	Removes fee limitation for report of guardian.
SB 132	Requires weights and measures labeling of packaged products.
SB 135	Redefines court jurisdiction of juvenile delinquents.
SB 136	Establishes alternative method of sewer construction.
SB 137	Removes requirement for city and county concurrence in adjustment of master zoning plan.
SB 140	Requires zoning commission approval prior to land subdivision.
SB 146	Authorizes extension of circuit court term.
SB 148	Reapportions cost of service construction.
SB 149	Permits appointment of municipal officer to make retrospective property assessments.

	Senate Message	Re-ferred	Re-ported	Readings			En-rolled	Other Action
				1st	2nd	3rd		
SB 92	331	478						
SB 93	651		1170	1189	1265	1409	1462	1462
SB 96	331	478	532	532	605	666	1504	675, 1499, 1504
SB 97	285	328						
SB 99	464	478	560	560	645	1491	1502	1502
SB 102	424	478	1274	1353	1420	1492	1523	1492, 1523
SB 104	484		1368	1377	1461	1509	1523	1523
SB 105	379	478						
SB 106	331	478	605	605	645	662	709	662, 665, 709
SB 109	307	329	897	898	907			
SB 110	379	478						
SB 111	464	478						
SB 112	379	478	581	581	645	702	864	864
SB 113	1355		1368	1404	1461	1506	1523	1523
SB 114	379	478						
SB 116	1169							
SB 118	484	541	640	641	661	903	1160	1160
SB 119	671		909	941	1004			
SB 121	671							
SB 124	539		1133	1152	1199			
SB 126	539							
SB 132	651		1170	1183	1265	1412	1462	1462
SB 135	709		909	929	1004	1409	1462	1462
SB 136	424	478	971	971	1154	1414	1462	1462
SB 137	424	479	715	715	901	1412	1462	1462
SB 140	484		1368	1407	1461	1508	1523	1523
SB 146	864							
SB 148	613		1133	1140	1199	1413	1462	1462
SB 149	613							

SB 150	Authorizes sewer districts to acquire personal property.
SB 151	Prohibits city tax on vehicles qualified under the motor carrier weight tax.
SB 153	Entitles health departments in counties with first class cities to same state aid as for other health departments.
SB 155	Authorizes creation of business development corporations to aid business finance.
SB 157	Authorizes tax refund on motor boat fuel.
SB 158	Vests chairmanship of the Disabled Ex-Servicemen's Board in the Adjutant General.
SB 159	Requires the Governor to fix salary of the Custodian of Insurance Securities.
SB 162	Creates a State Mortgage Agency.
SB 163	Authorizes financial institutions to invest in property insurable under FHA rules.
SB 165	Changes method of compensating unemployment insurance commissioners.
SB 166	Revises real estate brokers' licensing provisions.
SB 168	Revises State Police retirement provisions.
SB 171	Reclassifies the office of special circuit judge.
SB 173	Creates an Administrative Office of the Courts.
SB 179	Provides for conditional expiration of mineral rights leases.
SB 180	Enacts the common law Rule Against Perpetuities.
SB 182	Increases social security payments by public employes.
SB 183	Requires executors to determine net probate income.
SB 184	Revises legal notices publication provisions.
SB 185	Requires police court judges to select jurors in counties with second class cities.
SB 187	Authorizes cities to engage attorneys to revise and codify ordinances.
SB 188	Limits interest rate on industrial and residential real estate loans.
SB 193	Exempts contract bid bonds from insurance countersignature provisions.
SB 195	Grants a charter to the Kentucky Historical Society.
SB 197	Establishes a Forty Eighth Judicial District, consisting of Franklin County.
SB 198	Revises insurance regulation provisions.
SB 200	Revises Jessamine County Circuit Court terms.
SB 202	Grants control of public ways to fifth and sixth class cities.
SB 203	Revises licensing provisions for architects.
SB 206	Authorizes levy on personal property of delinquent taxpayers.
SB 208	Makes the county forestry fund tax permissive instead of mandatory.

	Senate Message	Re-ferred	Re-ported	Readings 1st	Readings 2nd	Readings 3rd	En-rolled	Other Action
SB 150	613		1274	1275	1420	1500	1504	1504
SB 151	651							
SB 153	613		1170	1186	1265	1493	1504	1504
SB 155	539	541	651	651	696	860	862	862
SB 157	1422		1465	1465	1484	1514	1523	1523
SB 158	967		1077	1110	1199	1486	1502	1502
SB 159	613		679	694	859	1488	1502	1502
SB 162	1422							
SB 163	864		1133	1150	1199	1491	1502	1502
SB 165	967		1077	1129	1199	1488	1502	1502
SB 166	1207		1425	1452	1484	1515	1523	1523
SB 168	967		1077	1113	1199	1487	1502	1502
SB 171	967		1367	1368	1461	1502		1522, 1524, 1526
SB 173	671		717	717	901	1492	1504	1504
SB 179	864							
SB 180	1019		1077	1111	1199	1489	1502	1502
SB 182	709		865	872	907	1487	1504	1504
SB 183	709							
SB 184	709		865	865	907	1410	1474	1474
SB 185	1270		1425	1454	1484	1513	1523	1523
SB 187	1355							
SB 188	709							
SB 193	864		1425	1455	1484			
SB 195	967		1133	1133	1199	1490	1502	1502
SB 197	1367		1425	1425	1484	1504	1523	1523
SB 198	709		865	875	907	1469	1475	
SB 200	709		1133	1145	1199	1412	1462	1462
SB 202	709		973	980	1154	1514	1523	1523
SB 203	1270		1274	1300	1420	1510	1523	1523
SB 206	1355							
SB 208	1019		1368	1402	1461	1510	1523	1523

SB 214	Authorizes appeal de novo from State Education Board decisions.
SB 218	Revises fraternal society life insurance provisions.
SB 219	Authorizes right of eminent domain to fiscal courts for road work.
SB 223	Creates the Kentucky Turnpike Authority for turnpike finance.
SB 224	Revises turnpike financing provisions.
SB 225	Prohibits taking an extralegal interest note as corporate defense in actions on obligations.
SB 226	Prohibits Sunday operation of businesses related to motor vehicles.
SB 230	Makes optometrists' testimony qualified evidence in state optometry matters.
SB 231	Enacts a Uniform Motor Vehicle Certificate of Title Act.
SB 234	Revises provisions relating to the Rules of Criminal Procedure.
SB 235	Establishes regulatory provisions for the conservation of oil and gas.
SB 237	Revises provisions relating to regulation of plumbers and plumbing.
SB 238	Places appeals regulation under the Rules of Civil Procedure in specified cases.
SB 239	Authorizes transfer of Fish and Wildlife employes to the State Police Retirement System.
SB 240	Adds grounds for suspension of public accountancy permits.
SB 241	Increases public accountancy permit fees.
SB 243	Requires specified information in mastheads of publications containing advertising.
SB 244	Authorizes joint operation of water supply sources by two or more cities or water districts.
SB 245	Requires licensing of private homes for the aged.
SB 246	Enacts the Interstate Compact on Juveniles.
SB 247	Revises agricultural pest and weed control provisions.
SB 250	Revises petty loan company provisions.
SB 251	Provides for referendum on state bond issue for highways and parks.
SB 252	Revises membership of the Industrial Development Authority.
SB 253	Authorizes private schools to qualify as state schools for exceptional children.
SB 255	Adds specified life insurance to securities subject to Uniform Gifts to Minors Act.
SB 256	Authorizes property assessments for sewage facilities.
SB 257	Revises eminent domain provisions for urban redevelopment.

	Senate Message	Referred	Reported	Readings 1st	Readings 2nd	Readings 3rd	Enrolled	Other Action
SB 214	1169		1274	1280	1420	1506	1523	1523
SB 218	1422		1425	1440	1484	1511	1524	
SB 219	1019		1274	1293	1420	1494	1502	1502
SB 223	967		1077	1077	1199	1487	1502	1502
SB 224	967		1077	1098	1199	1488	1502	1502
SB 225	967		1077	1111	1199	1490	1502	1502
SB 226	1469							
SB 230	1169		1208	1214	1265	1413	1462	1462
SB 231	1207							
SB 234	967							
SB 235	1169		1208	1220	1265	1507	1523	1523
SB 237	1355		1425	1427	1484	1511	1526	1526
SB 238	1169		1208	1232	1265	1494	1502	1502
SB 239	1207		1274	1278	1420	1497	1502	1502
SB 240	1207		1368	1377	1461	1512	1523	1523
SB 241	1207		1473	1473	1484	1512	1523	1523
SB 243	1412							
SB 244	1169							
SB 245	1199		1208	1210	1265	1495	1502	1502
SB 246	1270		1274	1342	1420	1495	1504	1504
SB 247	1169		1170	1195	1265	1496	1502	1502
SB 250	1199		1208	1238	1265	1414	1474	1474
SB 251	1199		1208	1251	1265	1489	1502	1502
SB 252	1199		1208	1208	1265	1489	1502	1502
SB 253	1199		1208	1209	1265	1490	1502	1502
SB 255	1270		1425	1455	1484	1505	1523	1523
SB 256	1355		1368	1385	1461	1508	1523	1523
SB 257	1270		1274	1308	1420	1497	1504	1504

SB 260	Excludes Sundays and holidays in computation of time allowed by statute.
SB 263	Requires registration of securities dealers and agents.
SB 266	Revises unemployment compensation provisions.
SB 267	Transfers Hindman to fifth class of cities.
SB 269	Requires conduct of government agency business at open meetings.
SB 271	Adds two faculty members to the University of Kentucky Board of Trustees.
SB 272	Authorizes Finance Commissioner to issue blanket bonds by department.
SB 273	Increases maximum risk valuation assumed by the State Fire and Tornado Insurance Fund.
SB 274	Adopts the Southern Interstate Nnclear Compact.
SB 280	Authorizes formation of county public library districts.
SB 282	Requires cemeteries to establish merchandise trust funds.
SB 283	Increases salary of Commissioner of Mines and Minerals.
SB 284	Revises nuclear energy provisions.

HISTORY OF SENATE BILLS

	Senate Message	Re-ferred	Re-ported		Readings		En-rolled	Other Action
				1st	2nd	3rd		
SB 260	1207							
SB 263	1270		1274	1315	1420	1496	1502	1502
SB 266	1270		1274	1276	1420	1484	1502	1502
SB 267	1412							
SB 269	1355		1368	1370	1461	1503	1523	1523
SB 271	1355		1425	1438	1484	1512	1523	1523
SB 272	1355		1425	1440	1484			
SB 273	1355		1460	1460	1484			
SB 274	1355		1368	1370	1461	1504	1523	1523
SB 280	1367		1368	1397	1461	1509	1523	1523
SB 282	1422		1425	1448	1484	1510	1523	1523
SB 283	1422		1461	1461	1484	1507	1523	1523
SB 284	1422		1425	1449	1484	1505	1523	1523

HISTORY OF SENATE RESOLUTIONS

Numbers refer to page of House Journal. Text of resolution is given on first reading or adoption. Joint resolutions are designated SJR; concurrent resolutions are designated SCR.

SJR	5	Establishes a memorial to Augustus Owsley Stanley.
SCR	8	Congratulates Ed Diddle.
SCR	10	Urges establishment of a state park at Spindletop Farm.
SCR	11	Adjournment from January 15, 1960, until January 20, 1960.
SCR	14	Adjournment in memory of Thomas A. Duke.
SCR	16	Adjournment in memory of Otto C. Gartin.
SCR	17	Commends Don S. Sturgill.
SJR	21	Memorializes the ICC to render a decision on Kentucky time standards.
SCR	25	Requests return of House Bill 67.
SJR	27	Authorizes a study of the need for higher learning institutions.
SR	28	Requests investigation of the Kentucky River Narrows as a state park site.
SCR	30	Memorializes Congress to increase tobacco allotments.
SCR	37	Memorializes Congress to refund taxes on cigarettes and distilled spirits.
SCR	38	Memorializes Congress to reduce the cigarette tax.
SCR	41	Authorizes appointment of a War of 1812 Committee.
SCR	47	Memorializes Congress to prohibit construction of certain Ohio River bridges.
SCR	48	Requests establishment of a state park in Edmonson County.
SCR	51	Orders notification of Fish and Wildlife Department of new road construction.
SCR	52	Congratulates Burkesville on its sesqui-centennial celebration.
SJR	53	Orders a study of state agency procedure for hearings and rulings.
SCR	54	Requests construction of a lake at Gray Hawk.
SJR	55	Orders a study of inheritance and estate tax laws.
SJR	56	Requests inspection of junk yards.
SR	57	Commends the Cherokee District of the Dan Beard Council of Boy Scouts.
SCR	58	Petitions the Secretary of Defense to designate a World War II unknown soldier.
SJR	59	Orders a study of a suitable state banking code.
SCR	62	Orders cooperation among state agencies in developing lakes and water resources.

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SCR 8	16						16		
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SCR 11	50						50		
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SJR 59	1270						1525		
SCR 62	1422						1483	1502	1502

SCR	**63**	Memorializes Congress to consider acquisition of the home of Zachary Taylor.
SR	**67**	Mourns the passing of Rodes K. Myers.
SCR	**68**	Adjournment sine die on March 18, 1960.

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